

**Summary Information on Sony Life's Financial Results**  
**for the Six Months Ended September 30, 2009**

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## 1. Key Performance Results

### (1) Policy Amount in Force and New Policy Amount

#### Policy Amount in Force

(Number: Thousand, Amount: 100 million of yen, %)

Category	As of September 30, 2008		As of September 30, 2009						As of March 31, 2009	
	Number	Amount	Number	% YoY Change	% Change from March 31, 2009	Amount	% YoY Change	% Change from March 31, 2009	Number	Amount
Individual life insurance	4,535	317,871	4,795	105.7	103.0	326,001	102.6	101.2	4,657	322,291
Individual annuities	48	2,783	53	109.3	104.2	2,974	106.9	103.1	51	2,885
Subtotal	4,584	320,654	4,848	105.8	103.0	328,975	102.6	101.2	4,708	325,176
Group life insurance	—	9,645	—	—	—	11,107	115.2	109.0	—	10,194
Group annuities	—	734	—	—	—	727	99.1	99.0	—	734

Notes: 1. Policy amounts for individual annuities are equal to the sum of annuity assets at the time annuity payments commence and policy reserves after annuity payments commence.  
2. The policy amount in force for group annuities is equal to the amount of outstanding policy reserve.

#### New policies

(Number: Thousand, Amount: 100 million yen, %)

Category	Six months ended September 30, 2008				Six months ended September 30, 2009					
	Number	Amount	New Policies	Increase from Conversion	Number	% YoY Change	Amount	% YoY Change	New Policies	Increase from Conversion
Individual life insurance	260	18,729	18,729	—	273	105.3	18,036	96.3	18,036	—
Individual annuities	4	218	218	—	3	75.9	148	68.1	148	—
Subtotal	264	18,947	18,947	—	276	104.8	18,184	96.0	18,184	—
Group life insurance	—	43	43	—	—	—	39	90.4	39	—
Group annuities	—	—	—	—	—	—	—	—	—	—

Notes: 1. The new policy amount including increase from conversion for individual annuities is funds held at the time annuity payments commence.  
2. The new policy amount for group annuities is equal to the initial premium payment.

### (2) Annualized Premiums

#### Policy amount in force

(Millions of yen, %)

Category	As of September 30, 2008	As of September 30, 2009		As of March 31, 2009
		% YoY Change	% Change from March 31, 2009	
Individual Life Insurance	531,514	548,533	103.2	538,252
Individual annuities	9,433	9,936	105.3	9,646
Toal	540,948	558,470	103.2	547,898
Of which, medical protection, living benefit protection, etc.	124,595	129,658	104.1	126,662

#### New policies

(Millions of yen, %)

Category	Sx months ended September 30, 2008	Six months ended September 30, 2009	
		% YoY Change	
Individual Life Insurance	30,070	31,370	104.3
Individual annuities	869	658	75.8
Toal	30,940	32,029	103.5
Of which, medical protection, living benefit protection, etc.	6,513	7,715	118.5

Notes: 1. Annualized premiums refer to an amount that is calculated by multiplying individual premium amounts by a coefficient that differs depending on the premium payment methods, thereby converting the figure to a per-year premium. (For single-payment policies, premiums are divided by the coverage period.)  
2. Figures in "Medical protection and living benefit protection, etc." indicated the annualized premiums for the portion of products with medical protection benefits (hospitalization benefit, surgical procedure benefit, etc.) and products with living benefit protection (benefits for specific illness, nursing care benefits, etc.)

**(3) Major P/L Items**

(Millions of yen, %)

Category	Six months ended September 30, 2008	Six months ended September 30, 2009	YoY Change
Income from insurance premiums	327,085	339,359	103.8
Investment income	43,291	91,588	211.6
Insurance claims and other payments	125,837	134,418	106.8
Investment expenses	32,970	10,726	32.5

**(4) Total assets**

(Millions of yen, %)

Category	As of September 30, 2009		As of march 31, 2009
		YoY Change	
Total assets	4,042,028	106.1	3,810,929

## 2. Investment of General Account Assets during the Six Months Ended September 30, 2009

### (1) Investment Environment

During the six months ended September 30, 2009, the Japanese economy entered a recovery phase. Real GDP (2nd preliminary figures<sup>1</sup>) grew at a rate of 0.6% during the April–June quarter, with contribution from growth in public-sector fixed capital formation and export goods and services.<sup>2</sup> Real GDP during the July–September quarter is estimated to have grown further, primarily driven by export goods and services.

Interest rates rose in the bond market in early June 2009, reflecting diminishing concern over the financial crisis and increased expectations of an economic recovery, as well as an increase in Japanese government bond (JGB) issues and a rebound in stock prices. A supplementary budget was formulated for the additional issue of Japanese government bonds amounting to ¥16.9 trillion in July 2009. As a result, there was a sharp increase in long- and ultralong-term JGB yields (prices fell). However, interest rates subsequently fell, as the bond market was affected by appreciation of the yen against foreign currencies, as well as a delayed recovery in the macroeconomic environment, particularly in the weakened employment market. Japanese banks and other financial institutions expanded their investment in JGBs, which helped balance supply and demand and resulted in lower interest rates (prices fell). On March 31, 2009, 10-year JGB yields were 1.340%, which then shot up to 1.560% (prices fell) on June 30. Yields decreased (prices increased) thereafter, to 1.295% on September 30.

Japanese stock markets remained steady in the first half of this fiscal year, reflecting increased expectations of economic recovery and the sharp recovery of global stock markets, as well as monetary easing in developed countries including Europe and the United States. Monetary easing created liquidity in the money markets, which accelerated the flow of capital into stock markets. Foreign investors bought Japanese stocks totaling ¥2,237.1 billion in spot trading, which drove the Japanese stock market in the first half of this fiscal year<sup>3</sup>. In terms of corporate operating performance, it is widely believed that the worst of the crisis has past. Corporate operating performance remained low in the first half of the fiscal year due to a rapid decline in production that negatively impacted sales. The consensus is that corporate operating performance in the second half this fiscal year is recovering, bolstered by cost reductions resulting from restructuring and the global economic recovery. On March 31, 2009, the Nikkei was at ¥8,109.53, rising to ¥10,767.44 on August 31 and finishing at ¥10,133.23 on September 30.

In foreign exchange markets, the yen continued to appreciate against the U.S. dollar. Aggressive monetary easing by the Federal Reserve Bank reduced the difference between Japanese and U.S. interest rates. The U.S. dollar weakened over concerns about the growing U.S. budget deficit and currency appreciation with high interest rates in resource-rich countries, strengthening the yen against the U.S. dollar. Moreover, the Democratic Party of Japan, which became the new ruling party in September 2009, allows a stronger yen without foreign exchange intervention, which further strengthened the yen. The yen appreciated against the U.S. dollar, rising from ¥98.84 at March 31, 2009 to ¥89.75 on September 30.

### (2) Investment Policy

Our basic investment policy on general account assets is to ensure the creation of an investment portfolio that generates stable profits over the medium to long term and considers the soundness of investment assets and controls debt characteristics. The Company secures stable interest income by investing in Japanese government and corporate bonds. From the perspective of ALM, we strive to lengthen the duration of our investment portfolio by gradually increasing the allocation of ultralong-term bonds. Furthermore, we will continue investing in equity assets, including Japanese stocks, controlling allocation to ensure a balance between profitability and market risks.

### (3) Results of Investment

As of September 30, 2009, general account assets totaled ¥3,710.1 billion, up 4.9%, or ¥174.4 billion, from March 31, 2009. Of general account assets, Japanese government and corporate bond investments totaled ¥2,606.4 billion (accounting for 70.3% of general account assets), Japanese stocks ¥56.5 billion (1.5%), foreign government and corporate bonds ¥84.5 billion (2.3%), monetary trusts ¥533.6 billion (14.4%), cash and call loans ¥100.3 billion (2.7%), policyholder loans ¥123.7 billion (3.3%) and real estate ¥81.1 billion (2.2%).

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1. Announced on September 11, 2009

2. The estimated growth rate of real GDP in the 3rd quarter of 2009 was 2.3%, announced by the Economic Planning Association (ESP Forecasts) on October 13, 2009.

3. April 1, 2009, to September 30, 2009

### 3. Status of Investment of Assets (General Account Assets)

#### (1) Composition of General Account Assets

(Millions of yen, %)

Category	As of September 30, 2009		As of March 31, 2009	
	Amount	%	Amount	%
Cash and deposits, call loans	100,327	2.7	58,051	1.6
Securities repurchased under resale agreements	—	—	—	—
Pledged money for bond borrowing transaction	—	—	—	—
Monetary claims purchased	—	—	—	—
Securities under proprietary accounts	—	—	—	—
Monetary trusts	533,646	14.4	607,625	17.2
Securities	2,775,168	74.8	2,559,237	72.4
Domestic bonds	2,606,426	70.3	2,384,467	67.4
Domestic stocks	56,591	1.5	50,974	1.4
Foreign securities	104,622	2.8	115,279	3.3
Foreign bonds	84,541	2.3	93,709	2.7
Foreign stocks and other securities	20,080	0.5	21,569	0.6
Other securities	7,527	0.2	8,516	0.2
Loans	123,799	3.3	120,462	3.4
Real estate	81,190	2.2	81,754	2.3
Deffered tax assets	20,650	0.6	35,439	1.0
Other assets	75,606	2.0	73,407	2.1
Reserve for possible loan losses	(208)	(0.0)	(208)	(0.0)
Total	3,710,180	100.0	3,535,769	100.0
Foreign currency denominated assets	22,882	0.6	34,299	1.0

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

#### (2) Changes in General Account Assets by Categories

(Millions of yen)

Category	Six months ended September 30, 2008	Six months ended September 30, 2009
Cash and deposits, call loans	46,570	42,276
Securities repurchased under resale agreements	—	—
Pledged money for bond borrowing transaction	—	—
Monetary claims purchased	—	—
Securities under proprietary accounts	—	—
Monetary trusts	(25,557)	(73,979)
Securities	65,153	215,930
Domestic bonds	96,639	221,959
Domestic stocks	(27,420)	5,616
Foreign securities	(3,184)	(10,656)
Foreign bonds	(4,948)	(9,167)
Foreign stocks and other securities	1,763	(1,488)
Other securities	(880)	(988)
Loans	6,139	3,336
Real estate	(1,096)	(563)
Deffered tax assets	31,707	(14,789)
Other assets	14,457	2,199
Reserve for possible loan losses	(12)	0
Total	137,361	174,410
Foreign currency denominated assets	(715)	(11,416)

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

**(3) Investment Income**

(Millions of yen)

Category	Six months ended September 30, 2008	Six months ended September 30, 2009
Interests and dividends	26,942	32,909
Interest income from deposit	0	0
Interest income and dividends from securities	18,553	24,988
Interest income from loans	2,312	2,473
Income from real estate for rent	5,855	5,415
Other income from interests and dividends	221	31
Gains on securities under proprietary accounts	—	—
Income from monetary trusts, net	6,826	9,599
Income from trading securities, net	788	—
Gains on sale of securities	8,279	9,762
Gains on sale of domestic bonds	2,780	2,172
Gains on sale of domestic stocks	5,499	7,336
Gains on sale of foreign securities	—	252
Other	—	—
Gains on redemption of securities	403	1,096
Gains from derivatives, net	29	—
Foreign exchange gains, net	21	—
Other investment income	0	37
Total	43,291	53,405

**(4) Investment Expenses**

(Millions of yen)

Category	Six months ended September 30, 2008	Six months ended September 30, 2009
Interest expense	9	15
Losses on securities under proprietary accounts	—	—
Losses from monetary trusts, net	—	—
Losses on trading securities, net	—	—
Losses on sale of securities	1,351	5,328
Losses on sale of domestic bonds	273	—
Losses on sale of domestic stocks	1,078	4,510
Losses on sale of foreign securities	—	818
Other	—	—
Devaluation losses on securities	2,997	—
Devaluation losses on domestic bonds	—	—
Devaluation losses on domestic stocks	2,629	—
Devaluation losses on foreign securities	368	—
Other	—	—
Losses on redemption of securities	21	315
Losses from derivatives, net	—	—
Foreign exchange losses	—	169
Provision for reserve for possible loan losses	12	0
Write-off loans	—	—
Depreciation of real estate for rent	1,441	1,377
Other investment expense	3,024	3,519
Total	8,858	10,726

### (5) Valuation Gains/Losses on Trading-Purpose Securities

(Millions of yen)

Category	As of September 30, 2009		As of March 31, 2009	
	Balance sheet amount	Net valuation gains/losses recorded in income	Balance sheet amount	Net valuation gains/losses recorded in income
Trading-purpose securities	772	5,657	22,871	(4,318)

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

### (6) Fair Value Information on Securities

#### a. Fair value information on securitites with market value (except trading-purpose securities)

(Millions of yen)

Category	As of September 30, 2009					As of March 31, 2009				
	Carrying value before mark-to-market	Fair value	Net unrealized gains/losses			Carrying value before mark-to-market	Fair value	Net unrealized gains/losses		
			Unrealized gains	Unrealized losses	Unrealized gains			Unrealized losses		
Held-to-maturity securities	1,777,800	1,782,419	4,619	16,237	11,618	1,399,011	1,425,713	26,702	28,991	2,288
Policy reserve matching bonds	-	-	-	-	-	-	-	-	-	-
Stocks of subsidiaries and affiliated companies	-	-	-	-	-	-	-	-	-	-
Available-for-sale securities	1,418,477	1,470,671	52,194	60,838	8,644	1,675,529	1,699,732	24,202	56,286	32,083
Domestic bonds	1,325,098	1,369,963	44,865	50,807	5,941	1,546,918	1,573,911	26,993	51,624	24,630
Domestic stocks	40,704	48,499	7,795	8,978	1,183	56,950	58,371	1,421	4,510	3,088
Foreign securities	47,486	46,072	(1,413)	100	1,514	64,210	60,569	(3,641)	150	3,791
Bonds	47,486	46,072	(1,413)	100	1,514	64,210	60,569	(3,641)	150	3,791
Stocks, etc.	-	-	-	-	-	-	-	-	-	-
Other securities	5,187	6,134	946	952	5	7,450	6,879	(570)	1	572
Money claims purchased	-	-	-	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total	3,196,277	3,253,091	56,813	77,076	20,262	3,074,540	3,125,446	50,905	85,277	34,372
Domestic bonds	3,061,233	3,108,506	47,273	64,833	17,559	2,904,503	2,958,363	53,860	80,615	26,755
Domestic stocks	40,704	48,499	7,795	8,978	1,183	56,950	58,371	1,421	4,510	3,088
Foreign securities	89,152	89,949	797	2,311	1,514	105,636	101,831	(3,805)	150	3,955
Bonds	89,152	89,949	797	2,311	1,514	105,636	101,831	(3,805)	150	3,955
Stocks, etc	-	-	-	-	-	-	-	-	-	-
Other securities	5,187	6,134	946	952	5	7,450	6,879	(570)	1	572
Monetary claims purchased	-	-	-	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-

Notes 1. The above table includes assets such as certificates of deposits which are permitted to be treated as equivalent to securities defined in the Financial Instruments and Exchange Law of Japan.

2. Carrying value before mark-to-market and net unrealized gains/losses on monetary trusts, including items other than trading securities, amounted to ¥490,631 million and ¥14,149 million.

3. Carrying value before mark-to-market represents the amount after deductions for depreciable costs and impairment losses, before mark-to-market.



**(7) Fair Value Information on Monetary Trusts**

(Millions of yen)

Category	As of September 30, 2009				
	Balance sheet amount	Fair value	Net unrealized gains/losses		
			Unrealized gains	Unrealized losses	
Monetary trusts	533,646	533,646	-	-	-

Note: The table above includes 50 million yen of jointly invested monetary trusts.

As of March 31, 2009				
Balance sheet amount	Fair value	Net unrealized gains/losses		
		Unrealized gains	Unrealized losses	
607,625	607,625	-	-	-

**Monetary Trusts for Investment**

(Millions of yen)

Category	As of September 30, 2009	
	Balance sheet amount	Net valuation gains (losses)
Monetary Trusts for Investment	2,165	5,657

Note: Monetary trusts includes cash and call loans held in monetary trusts.

As of March 31, 2009	
Balance sheet amount	Net valuation gains (losses)
32,020	(4,413)

**Monetary Trusts for Held-to-maturity, Policy Reserve Matching Securitized and Others**

(Millions of yen)

Category	As of September 30, 2009				
	Carrying value before mark-to-market	Fair value	Net unrealized gains (losses)		
			Unrealized gains	Unrealized losses	
Monetary trusts for held-to-maturity	-	-	-	-	-
Monetary trusts for policy reserve matching	-	-	-	-	-
Other monetary trusts	517,280	531,430	14,149	15,754	1,605

Note: Monetary trusts includes cash and call loans held in monetary trusts.

As of March 31, 2009				
Carrying value before mark-to-market	Fair value	Net unrealized gains (losses)		
		Unrealized gains	Unrealized losses	
-	-	-	-	-
-	-	-	-	-
567,248	575,554	8,306	17,478	9,172

#### 4. Balance Sheets (Non-consolidated)

(Millions of yen)

	As of September 30, 2009	As of March 31, 2009
	Amount	Amount
<b>Assets:</b>		
Cash and deposits	27,730	25,174
Call loans	89,900	45,800
Monetary trusts	533,646	607,625
Securities	3,087,263	2,819,638
(Japanese government bonds)	2,503,309	2,196,830
(Municipal bonds)	28,665	29,190
(Japanese corporate bonds)	189,166	270,253
(Japanese stocks)	83,196	70,620
(Foreign securities)	199,092	189,426
Loans	123,799	120,462
Policy loans	123,799	120,462
Tangible fixed assets	82,279	82,793
Intangible fixed assets	12,971	12,187
Due from agencies	—	1
Due from reinsurers	496	104
Other assets	63,498	61,911
Deferred tax assets	20,650	35,439
Reserve for possible loan losses	(208)	(208)
<b>Total Assets</b>	<b>4,042,028</b>	<b>3,810,929</b>
<b>Liabilities:</b>		
Policy reserves and others	3,811,433	3,614,027
Reserve for outstanding claims	21,543	19,111
Policy reserve	3,787,296	3,592,376
Reserve for policyholders' dividends	2,592	2,539
Due to agencies	1,206	1,216
Due to reinsurers	569	880
Other liabilities	34,547	36,891
Accrued income tax	6,684	9,530
Lease liabilities	352	388
Others	27,510	26,973
Reserve for employees' retirement benefits	13,832	12,727
Reserve for directors' retirement benefits	106	95
Reserve for price fluctuations	6,379	3,653
Reserve for price fluctuations	6,379	3,653
Deferred tax liabilities on land revaluation	706	706
<b>Total Liabilities</b>	<b>3,868,782</b>	<b>3,670,198</b>
<b>Net Assets:</b>		
Common stock	70,000	70,000
Capital surplus	5,865	5,865
Capital reserve	5,865	5,865
Retained earnings	77,059	62,325
Earned reserve	9,878	8,478
Other retained earnings	67,181	53,847
Unappropriated retained earnings	67,181	53,847
<b>Total stockholder's equity</b>	<b>152,924</b>	<b>138,190</b>
Net unrealized gains on other securities, net of taxes	21,797	4,015
Land revaluation, net of taxes	(1,475)	(1,475)
Total valuation and translation adjustments	20,321	2,539
<b>Total Net Assets</b>	<b>173,246</b>	<b>140,730</b>
<b>Total Liabilities and Net Assets</b>	<b>4,042,028</b>	<b>3,810,929</b>

## 5. Statements of Income (Non-consolidated)

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
	Amount	Amount
Ordinary revenues	371,813	432,500
Income from insurance premiums	327,085	339,359
(Insurance premiums)	326,825	338,479
Investment income	43,291	91,588
(Interest income and dividends)	26,942	32,909
(Income from monetary trusts, net)	6,826	9,599
(Income from trading securities, net)	788	-
(Gains on sale of securities)	8,279	9,762
(Gains on derivatives, net)	29	-
(Gains on separate accounts, net)	-	38,183
Other ordinary income	1,435	1,552
Ordinary expenses	351,848	396,060
Insurance claims and other payments	125,837	134,418
(Insurance claims)	30,769	32,727
(Annuity payments)	2,852	3,205
(Insurance benefits)	15,208	15,833
(Surrender payments)	75,094	80,723
(Other payments)	849	852
Provision for policy reserves and others	140,829	197,354
Provision for reserves for outstanding claims	1,034	2,432
Provision for policy reserves	139,773	194,920
Interest on policyholders' dividend reserve	21	2
Investment expenses	32,970	10,726
(Interest expenses)	9	15
(Losses on sale of securities)	1,351	5,328
(Devaluation losses on securities)	2,997	-
(Losses on separate accounts, net)	24,111	-
Operating expenses	46,871	47,538
Other ordinary expenses	5,339	6,022
Ordinary profit	19,964	36,440
Extraordinary losses	615	2,819
Losses on sale or disposal of fixed assets	41	89
Impairment losses	0	4
Provision for reserve for price fluctuations	568	2,725
Provision for reserve for price fluctuations	568	2,725
Other extraordinary lossess	4	-
Provision for reserve for policyholders' dividends	1,688	224
Income before income taxes	17,660	33,396
Income taxes -Current	8,181	5,932
Income taxes -Deferred	(1,374)	5,730
Income Taxes -Total	6,807	11,662
Net income	10,853	21,733

## 6. Reconciliation to Core Profit and Non-Consolidated Ordinary Profit

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Core profit A	16,538	28,597
Capital gains	9,271	15,182
Income from monetary trusts, net	152	5,420
Income from trading securities, net	788	-
Gains on sale of securities	8,279	9,762
Gains on derivatives, net	29	-
Foreign exchange gains, net	21	-
Other capital gains	-	-
Capital losses	4,349	5,879
Losses on monetary trusts, net	-	-
Losses on trading securities, net	-	-
Losses on sale of securities	1,351	5,328
Devaluation losses on securities	2,997	-
Losses on derivatives, net	-	-
Foreign exchange losses, net	-	169
Other capital losses	-	381
Net capital gains B	4,922	9,303
Core profit plus net capital gains A+B	21,460	37,900
Other one-time gains	-	-
Gains from reinsurance	-	-
Reversal of contingency reserves	-	-
Other	-	-
Other one-time losses	1,496	1,460
Losses from reinsurance	-	-
Provision for contingency reserves	1,483	1,460
Provision for reserve for specific problem loans	12	0
Provision for reserve for specific overseas receivable assets	-	-
Loans amortization	-	-
Other	-	-
Total other one-time losses C	(1,496)	(1,460)
Ordinary profit A+B+C	19,964	36,440

### Notes:

1. Core profit for the six months ended September 30, 2008 (A) includes income gains of ¥6,674 million in income from monetary trusts.
2. Core profit for the six months ended September 30, 2009 (A) includes income gains of ¥4,179 million in income from monetary trusts; other capital losses include impairment losses of ¥381 million from investment funds.

## 7. Loans by Borrower Category

(Millions of yen, %)

Category	As of September 30, 2009	As of March 31, 2009
Bankrupt and quasi-bankrupt loans	—	—
Doubtful loans	—	—
Sub-standard loans	—	—
Sub-total	—	—
(% to total)	(—)	(—)
Normal loans	126,007	122,600
Total	126,007	122,600

Notes:

1. Bankrupt and quasi-bankrupt loans are loans to borrowers who are subject to bankruptcy, corporate reorganization or rehabilitation or other similar proceedings and other borrowers in serious financial difficulties.
2. Doubtful loans are loans to obligors (other than bankrupt and quasi-bankrupt obligors) with deteriorated financial condition and results of operations from which it is unlikely that the principal and interest on the loans will be recovered.
3. Sub-standard loans are loans on which principal and/or interests are past due for three months or more and loans with a concessionary interest rate, as well as loans with renegotiated conditions in favor of the borrower, including renegotiated schedule and/or waivers, in each case, other than the loans described in notes 1. and 2. above.
4. Normal loans are all other loans.

## 8. Risk-Monitored Loans

None.

## 9. Solvency Margin Ratio

(Millions of yen)

Category	As of September 30, 2009	As of March 31, 2009
Total solvency margin (A)	600,771	531,321
Net assets (less certain items)	152,924	131,190
Reserve for price fluctuations	6,379	3,653
Contingency reserve	46,951	45,491
Reserve for possible loan losses	0	0
Net unrealized gains on other securities (before taxes) multiplied by 90% if gains or 100% if losses	41,620	17,679
Net unrealized gains on real estate multiplied by 85% if gains or 100% if losses	4,899	4,899
Excess of the amount equivalent to policy reserve under Zillmer method	309,476	302,226
Unallocated portion of reserve for policyholders' dividends	384	382
Future profits	—	—
Deferred tax assets	38,134	25,797
Subordinated debt	—	—
Deductible items	—	—
Total risk $\sqrt{(R_1+R_2)^2+(R_3+R_4+R_5)^2+R_6}$ (B)	49,367	51,571
Insurance risk R1	18,850	18,595
Third-sector insurance risk R8	7,114	7,008
Assumed interest rate risk R2	11,292	11,241
Asset management risk R3	21,449	24,689
Business management risk R4	1,327	1,375
Minimum guarantee risk R7	7,676	7,243
Solvency margin ratio (A) _____ x 100 (1/2) x (B)	2,433.8%	2,060.5%

Notes: 1. Calculations employed in the table above apply the methods provided for under Articles 86 and 87 of the Insurance Business Law of Japan enforcement regulations, as stipulated in 1996 by the Ministry of Finance Official Notification No. 50.

2. A standard method is used to calculate minimum guarantee risk.

## 10. Status of Separate Account Assets

### (1) Balance of Separate Account Assets

(Millions of yen)

Category	As of September 30, 2009		As of March 31, 2009	
	Number	Amount	Number	Amount
Individual variable life insurance and individual variable annuities		331,848		275,160
Group annuities		-		-
Total separate account		331,848		275,160

Note: Assets relating to individual variable life insurance and individual variable annuities are jointly invested at Sony Life.

### (2) Policy Amount in Force (Separate Account)

#### Individual variable life insurance

(Number: Thousand, Amount: Millions of yen)

Category	As of September 30, 2009		As of March 31, 2009	
	Number	Amount	Number	Amount
Variable life insurance (limited term type)	498	6,520,084	483	6,404,908
Variable life insurance (whole life type)	42	137,930	41	136,557
Variable life insurance (term type)	1	60,784	1	62,517
Total	542	6,718,799	526	6,603,983

Note: Amounts include the rider portion of term life insurance.

#### Individual variable annuities

(Number: Thousand, Amount: Millions of yen)

Category	As of September 30, 2009		As of March 31, 2009	
	Number	Amount	Number	Amount
Individual variable annuities	28	154,336	28	152,525
Total	28	154,336	28	152,525

Note: The figure indicated in the amount column is for annuity resources.

## 11. Consolidated Summary

### (1) Key Performance Results

(Millions of yen)

Category	Six months ended September 30, 2008
Ordinary Revenues	372,125
Ordinary Profit	20,072
Net Income	10,961

Six months ended September 30, 2009
432,643
36,396
21,691

Category	As of September 30, 2009
Total assets	4,041,726

As of March 31 2009
3,810,470

### (2) Scope of Consolidation and Companies Accounted for under Equity Method

Number of consolidated subsidiaries	1
Number of non-consolidated subsidiaries accounted for under equity method	0
Number of affiliated companies accounted for under equity method	1

### (3) Consolidated Balance Sheets

(Millions of yen)

	As of September 30, 2009	As of March 31, 2009
	Amount	Amount
<b>Assets:</b>		
Cash and deposits	28,137	25,675
Call loans	89,900	45,800
Monetary trusts	533,646	607,625
Securities	3,086,442	2,818,578
Loans	123,810	120,469
Tangible fixed assets	82,292	82,806
Intangible fixed assets	12,972	12,187
Due from agencies	-	1
Due from reinsurers	496	104
Other assets	63,586	61,989
Deferred tax assets	20,650	35,439
Reserve for possible loan losses	(208)	(208)
<b>Total Assets</b>	<b>4,041,726</b>	<b>3,810,470</b>
<b>Liabilities:</b>		
Policy reserves and others:	3,811,639	3,614,211
Reserve for outstanding claims	21,544	19,114
Policy reserve	3,787,502	3,592,557
Reserve for policyholders' dividends	2,592	2,539
Due to agencies	1,206	1,216
Due to reinsurers	569	880
Other liabilities	34,581	36,924
Reserve for employees' retirement benefits	13,834	12,728
Reserve for directors' retirement benefits	106	95
Reserve for price fluctuations	6,379	3,653
Reserve for price fluctuations	6,379	3,653
Deferred tax liabilities	-	0
Deferred tax liabilities on land revaluation	706	706
<b>Total Liabilities</b>	<b>3,869,024</b>	<b>3,670,417</b>
<b>Net Assets:</b>		
Common stock	70,000	70,000
Capital surplus	5,865	5,865
Retained earnings	76,678	61,986
<b>Total shareholder's equity</b>	<b>152,543</b>	<b>137,851</b>
Net unrealized gains on other securities, net of taxes	21,798	3,925
Land revaluation, net of taxes	(1,475)	(1,475)
Foreign currency translation adjustments	(163)	(248)
<b>Total valuation and translation adjustments</b>	<b>20,159</b>	<b>2,201</b>
<b>Total Net Assets</b>	<b>172,702</b>	<b>140,052</b>
<b>Total Liabilities and Net Assets</b>	<b>4,041,726</b>	<b>3,810,470</b>

**(4) Consolidated Statements of Income**

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
	Amount	Amount
Ordinary revenues	372,125	432,643
Income from insurance premiums	327,121	339,389
Investment income	43,567	91,701
(Interest income and dividends)	27,065	33,013
(Income from monetary trusts, net)	6,826	9,599
(Income from trading securities, net)	788	-
(Gains on sale of securities)	8,295	9,771
(Gains on separate accounts, net)	-	38,183
Other ordinary income	1,435	1,552
Ordinary expenses	352,053	396,246
Insurance claims and other payments	125,841	134,424
(Insurance claims)	30,771	32,731
(Annuity payments)	2,852	3,205
(Insurance benefits)	15,208	15,833
(Surrender payments)	75,095	80,725
Provision for policy reserves and others	140,852	197,370
Provision for reserves for outstanding claims	1,034	2,430
Provision for policy reserves	139,796	194,938
Interest on policyholders' dividend reserve	21	2
Investment expenses	32,970	10,705
(Interest expenses)	9	15
(Losses on sale of securities)	1,351	5,334
(Devaluation losses on securities)	2,997	-
(Losses on separate accounts, net)	24,111	-
Operating expenses	46,963	47,608
Other ordinary expenses	5,425	6,138
Ordinary profit	20,072	36,396
Extraordinary gains	0	-
Gains on sale of fixed assets	0	-
Extraordinary losses	615	2,819
Losses on sale or disposal of fixed assets	41	89
Impairment losses	0	4
Provision for reserve for price fluctuations	568	2,725
Provision for reserve for price fluctuations	568	2,725
Other extraordinary losses	4	-
Provision for reserve for policyholders' dividends	1,688	224
Income before income taxes	17,769	33,352
Income taxes -Current	8,182	5,932
Income taxes -Deferred	(1,374)	5,729
Income Taxes -Total	6,807	11,661
Net income	10,961	21,691

12. Reference - Results for the Three Months Ended September 30, 2009

**New Policy Amount**

(Number: Thousand, Amount: 100 million yen)

Category	Three months ended September 30, 2008				Three months ended September 30, 2009			
	Number	Amount	New policies	Increase from conversion	Number	Amount	New policies	Increase from conversion
Individual life insurance	119	8,818	8,818	-	131	8,791	8,791	-
Individual annuities	1	87	87	-	1	70	70	-
Sub total	121	8,905	8,905	-	132	8,861	8,861	-
Group life insurance	-	32	32		-	8	8	
Group annuities	-	-	-		-	-	-	

**Annualized Premiums for New Policies**

(Millions of yen)

Category	Three months ended September 30, 2008	Three months ended September 30, 2009
Individual life insurance	14,393	15,703
Individual annuities	345	318
Total	14,738	16,022
Of which, medical protection, living benefit protection, etc	3,011	3,749

## Statements of Income

(Millions of yen)

	Three months ended September 30, 2008	Three months ended September 30, 2009
	Amount	Amount
Ordinary revenues	189,122	209,296
Income from insurance premiums	164,494	173,413
(Insurance premiums)	164,450	172,905
Investment income	23,071	35,062
(Interest and dividends)	14,198	17,193
(Income from monetary trusts, net)	2,489	5,411
(Income from trading securities, net)	636	-
(Gains on sale of securities)	5,285	3,141
(Gains on derivatives, net)	4	-
(Gains on separate accounts, net)	-	9,315
Other ordinary income	1,555	820
Ordinary expenses	181,502	193,600
Insurance claims and other payments	64,898	67,553
(Insurance claims)	16,355	17,537
(Annuity payments)	1,464	1,650
(Insurance benefits)	7,629	7,883
(Surrender payments)	38,505	39,505
(Other payments)	382	411
Provision for policy reserves and others	52,209	94,129
Provision for reserves for outstanding claims	-	1,675
Provision for policy reserves	52,198	92,452
Interest on policyholders' dividend reserve	10	1
Investment expenses	37,611	4,480
(Interest expenses)	2	6
(Loss on sale of securities)	1,309	1,704
(Devaluation losses on securities)	2,508	-
(Losses on separate accounts, net)	31,393	-
Operating expenses	24,087	24,420
Other ordinary expenses	2,695	3,016
Ordinary profit	7,619	15,695
Extraordinary gains	0	1
Reversal of reserve for possible loan losses	0	1
Extraordinary losses	103	1,360
Losses on sale or disposal of fixed assets	24	14
Impairment losses	0	3
Provision for reserve for price fluctuations	75	1,342
Provision for reserve for price fluctuations	75	1,342
Other extraordinary losses	4	-
Provision(reversal) for reserve for policyholders' dividends	814	(55)
Income before income taxes	6,701	14,391
Income taxes -Current	4,019	6,358
Income taxes -Deferred	(1,149)	(1,880)
Income Taxes- Total	2,870	4,478
Net income	3,830	9,913

## Reconciliation to Core Profit and Non-Consolidated Ordinary Profit

(Millions of yen)

		Three months ended September 30, 2008	Three months ended September 30, 2009
Core profit	A	7,169	12,027
Capital gains		5,980	6,498
Income from monetary trusts, net		-	3,357
Income from trading securities, net		636	-
Gains on sale of securities		5,285	3,141
Gains on derivatives, net		4	-
Foreign exchange gains, net		52	-
Other capital gains		-	-
Capital losses		4,829	2,119
Losses on monetary trusts, net		1,012	-
Losses on trading securities, net		-	-
Losses on sale of securities		1,309	1,704
Devaluation losses on securities		2,508	-
Losses on derivatives, net		-	-
Foreign exchange losses, net		-	33
Other capital losses		-	381
Net capital gains	B	1,150	4,378
Core profit plus net capital gains	A+B	8,319	16,406
Other one-time gains		-	-
Gain from reinsurance		-	-
Reversal of contingency reserves		-	-
Other		-	-
Other one-time losses		700	711
Losses from reinsurance		-	-
Provision for contingency reserves		700	711
Provision for reserve for specific problem loans		-	-
Provision for reserve for specific overseas receivable assets		-	-
Loans amortization		-	-
Other		-	-
Total other one-time losses	C	(700)	(711)
Ordinary profit	A+B+C	7,619	15,695

### Notes:

1. Core profit for the three months ended September 30, 2008 (A) includes income gains of ¥3,501 million in income from monetary trusts.
2. Core profit for the three months ended September 30, 2009 (A) includes income gains of ¥2,054 million in income from monetary trusts; other capital losses includes impairment losses of ¥381 million from investment funds.

## Consolidated Summary

### (1) Key Performance Results

(Millions of yen)

Category	Three months ended September 30, 2008	Three months ended September 30, 2009
Ordinary revenues	189,317	209,370
Ordinary profit	7,682	15,640
Net income	3,894	9,858

### (2) Consolidated Statements of Income

(Millions of yen)

	Three months ended September 30, 2008	Three months ended September 30, 2009
	Amount	Amount
Ordinary revenues	189,317	209,370
Income from insurance premiums	164,512	173,429
Investment income	23,250	35,120
(Interest income and dividends)	14,258	17,244
(Income from monetary trusts, net)	2,489	5,411
(Income from trading securities, net)	636	-
(Gains on sale of securities)	5,287	3,148
(Gains on separate accounts, net)	-	9,315
Other ordinary income	1,554	820
Ordinary expenses	181,635	193,730
Insurance claims and other payments	64,899	67,555
(Insurance claims)	16,355	17,537
(Annuity payments)	1,464	1,650
(Insurance benefits)	7,629	7,883
(Surrender payments)	38,506	39,506
Provision for policy reserves and others	52,221	94,138
Provision for reserves for outstanding claims	-	1,675
Provision for policy reserves	52,211	92,461
Interest on policyholders' dividend reserve	10	1
Investment expenses	37,611	4,486
(Interest expenses)	2	6
(Losses on sale of securities)	1,309	1,707
(Devaluation losses on securities)	2,508	-
(Losses on separate accounts, net)	31,393	-
Operating expenses	24,133	24,460
Other ordinary expenses	2,769	3,090
Ordinary profit	7,682	15,640
Extraordinary gains	0	1
Gains on sale of fixed assets	0	-
Reversal of reserve for possible loan losses	0	1
Extraordinary losses	103	1,360
Losses on sale or disposal of fixed assets	24	14
Impairment losses	0	3
Provision for reserve for price fluctuations	75	1,342
Provision for reserve for price fluctuations	75	1,342
Other extraordinary losses	4	-
Provision for reserve for policyholders' dividends	814	(55)
Income before income taxes	6,764	14,336
Income taxes -Current	4,019	6,358
Income taxes -Deferred	(1,149)	(1,881)
Income Taxes -Total	2,870	4,477
Net income	3,894	9,858

## Reference Holdings of Securitized Papers and Other Sub-prime Related Investments

Sony Life's holdings of securitized papers and other sub-prime related investments as of September 30, 2009, are as follows.  
Sony Life holds no sub-prime related investments.

### (1) Special-purpose entities (SPEs)

(Unit: 100 million yen)

	Fair value	Unrealized gains/losses	Gains/losses recorded in income
Special purpose entities (SPEs)	—	—	—
ABCP	—	—	—
<b>facilitated by Sony Life</b>	—	—	—
SIV	—	—	—
<b>facilitated by Sony Life</b>	—	—	—
Other	—	—	—
<b>facilitated by Sony Life</b>	—	—	—

### (2) Collateralized debt obligations (CDO)

(Unit: 100 million yen)

	Fair value	Unrealized gains/losses	Gains/losses recorded in income
Collateralized debt obligations (CDO)	—	—	—
ABS	—	—	—
CDO			
Senior	—	—	—
<b>sub-prime (Alt-A exposure)</b>	—	—	—
Mezzanine	—	—	—
<b>sub-prime (Alt-A exposure)</b>	—	—	—
Equity	—	—	—
<b>sub-prime (Alt-A exposure)</b>	—	—	—
CLO	—	—	—
Senior	—	—	—
Mezzanine	—	—	—
Equity	—	—	—
CBO	—	—	—
Senior	—	—	—
Mezzanine	—	—	—
Equity	—	—	—
Other	—	—	—
Senior	—	—	—
Mezzanine	—	—	—
Equity	—	—	—

**(3) Other sub-prime (Alt-A exposure)**

(Unit: 100 million yen)

	Fair value	Unrealized gains/losses	Gains/losses recorded in income
Other sub-prime (Alt-A exposure)	—	—	—
Non-securitized loans	—	—	—
RMBS	—	—	—
Derivatives	—	—	—
Commitment line	—	—	—
Other	—	—	—

**(4) Commercial mortgage-backed securities (CMBS)**

(Unit: 100 million yen)

	Fair value		Unrealized gains/losses	Gains/losses recorded in income
		As of March 31, 2009		
Commercial mortgage-backed securities (CMBS)	—	—	—	—
Japan	—	—	—	—
USA	—	—	—	—
EU	—	—	—	—
UK	—	—	—	—
Other	—	—	—	—

**(5) Leveraged finance**

(Unit: 100 million yen)

	Fair value		Unrealized gains/losses	Gains/losses recorded in income
		As of March 31, 2009		
Leveraged finance	—	—	—	—
Communications	—	—	—	—
Electronics	—	—	—	—
Entertainment	—	—	—	—
Services	—	—	—	—
Other	—	—	—	—

**(6) Other notes**

Sony Life holds convertible bond repackage notes (fair market value of ¥17.4 billion and unrealized losses of ¥0.3 billion as of September 30, 2009) and principal protected 30 year notes with Nikkei 225 index linked coupon (fair market value of ¥43.8 billion and unrealized gains of 2.2 billion as of September 30, 2009). These amounts are included in “Net unrealized gains/losses on other securities, (before taxes)” of Sony Life as of September 30, 2009.