

Additional Information from Semi-Annual Reports
for the six months ended September 30, 2009

Sony Financial Holdings (“SFH”) and its wholly-owned banking subsidiary Sony Bank Inc. today issued their *Chukanki Disclosure Shi*, or Semi-Annual Reports, for the six months ended September 30, 2009, as required under the Banking Law of Japan, and uploaded the reports onto their Japanese website. As part of our efforts to disclose information as fairly as possible to non-Japanese shareholders and investors, Sony Financial Holdings discloses English-language summaries of information that might be informative for investors but is only disclosed in the *Chukanki Disclosure Shi*.

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1. Additional information on Sony Life

(1) Sales of Products

For the six months ended September 30, 2009, on a policy amount basis, more than 80% of the new policy amount was death protection-type products. Of the total new policy amount, whole life insurance accounted for 16.3%, term life insurance for 63.0%, endowment and educational insurance for 9.6%, variable life insurance for 7.8%, and other for 3.3%. Sale percentages of whole life insurance and of term life insurance increased during the period, while a percentage of variable life insurance decreased.

(2) Lapse and Surrender Rate (Policy Amount Basis)

For the six months ended September 30, 2009, Sony Life's lapse and surrender rate* for individual life insurance, on a policy amount basis, was up 0.22 percentage point from the same period of the previous fiscal year, to 3.40%. Lapse and surrender rates remained high on variable life insurance and term life insurance for corporate customers and rose on some individual term life insurance policies. We believe that this situation was due to the economic downturn and the deterioration in investment conditions.

Persistency rates for individual life insurance, on a policy amount basis, remained high. The 13-month persistency rate was 95.1%, up 0.3 percentage point from the same period of the previous fiscal year, and the 25-month persistency rate was 89.3%, down 1.3 percentage point year on year.

We believe the low lapse rate and surrender rate and the high persistency rates are a result of policyholders' satisfaction with the way Lifeplanner sales employees and Partners (independent agencies) tailor products to each customer's life plan through careful consulting and after-sale follow-up services.

*The lapse and surrender rate is expressed as a ratio of cancellations or lapses modified due to the reduction, increase and reinstatement of the total policy amount in force.

2. Additional information on Sony Bank

(1) Breakdown of gross operating profit

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Net interest income	2,127	6,576
Interest income	10,671	11,739
Interest expenses	8,544	5,162
Net fees and commissions	100	11
Fees and commissions received	997	983
Fees and commissions paid	897	972
Net other operating income	4,379	1,132
Other operating income	6,022	2,561
Other operating expenses	1,642	1,429
Gross operating profit	6,607	7,720
Gross operating profit ratio	1.00%	1.10%

Note:

$$\text{Gross operating profit ratio} = \frac{\text{Gross operating profit for the period}}{\text{Average balance of investment account}} \times 100$$

(2) Average balance, interest, yield, and interest spread of major investment and financing accounts

(Millions of yen)

	Six months ended September 30, 2008			Six months ended September 30, 2009		
	Average balance	Interest	Yield	Average balance	Interest	Yield
Investment account	1,317,707	10,671	1.61%	1,390,507	11,739	1.68%
Loan	369,739	4,303	2.32%	507,884	5,822	2.28%
Securities	646,710	4,852	1.49%	823,328	5,599	1.35%
Call loans	292,390	1,420	0.96%	29,032	45	0.31%
Monetary claims bought	-	-	-	22,110	259	2.34%
Financing account	1,260,813	8,544	1.35%	1,353,352	5,162	0.76%
Deposits	1,249,790	8,153	1.30%	1,332,267	4,368	0.65%
Call money	10,000	29	0.58%	19,075	15	0.15%
Borrowed money	1,016	12	2.52%	2,000	25	2.52%

	Six months ended September 30, 2008	Six months ended September 30, 2009
Yield on investment	1.61%	1.68%
Yield on financing	1.35%	0.76%
Interest spread	0.26%	0.92%

(3) Interest income and interest expenses

(Millions of yen)

	Six months ended September 30, 2008			Six months ended September 30, 2009		
	Changes due to balances	Changes due to interest rate	Net increase (decrease)	Changes due to balances	Changes due to interest rate	Net increase (decrease)
Interest income	3,924	(697)	3,227	589	478	1,067
Loan	736	383	1,119	1,607	(89)	1,518
Securities	2,318	(710)	1,608	1,325	(578)	746
Call loans	613	(153)	459	(1,279)	(95)	(1,375)
Monetary claims bought	-	-	-	-	259	259
Interest expenses	2,593	996	3,589	627	(4,008)	(3,381)
Deposits	2,552	961	3,513	538	(4,322)	(3,784)
Call money	(30)	2	(28)	26	(40)	(14)
Borrowed money	-	12	12	12	-	12

Note: In cases involving overlaps in reasons for changes due to balances and interest rates, we reflected such figures in "changes due to interest rates".

(4) Breakdown of general and administrative expenses

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Salary	844	1,019
Employee retirement benefit	30	39
Fringe benefit expenses	94	119
Depreciation and amortization	364	437
Leases on land, building and machinery	273	540
Maintenance	861	913
Repairs and utilities	6	48
Supplies expenses	71	102
Heat, light and water	16	16
Travel expenses	1	0
Communications expenses	300	322
Advertisement expenses	318	295
Miscellaneous, donation, and entertainment	3	5
Outsourcing	868	766
Taxes and public dues	235	258
Deposit insurance	293	415
Other	334	323
Total	4,921	5,625

(5) Deposits

Average balance	(Millions of yen)	
	Six months ended September 30, 2008	Six months ended September 30, 2009
Floating deposits	322,332	389,625
Time and savings deposits	927,425	942,581
Other deposits	31	60
Total	1,249,790	1,332,267

Balance	(Millions of yen)	
	As of September 30, 2008	As of September 30, 2009
Floating deposits	328,740	393,032
Time and savings deposits	1,009,435	941,741
Other deposits	46	39
Total	1,338,222	1,334,813

(6) Loans

Average balance	(Millions of yen)	
	Six months ended September 30, 2008	Six months ended September 30, 2009
Loans on deeds	362,193	499,980
Overdrafts	7,545	7,903
Total	369,739	507,884

Balance	(Millions of yen)	
	As of September 30, 2008	As of September 30, 2009
Loans on deeds	392,250	526,567
Overdrafts	7,802	7,773
Total	400,053	534,340

(7) Balance of loans by remaining period

	As of September 30, 2008			As of September 30, 2009		
	Fixed interest rate	Floating interest rate	Total	Fixed interest rate	Floating interest rate	Total
1 year or less	18	46	64	47	42	89
More than 1 year and 3 years or less	336	386	723	440	397	837
More than 3 years and 5 years or less	1,187	1,004	2,191	1,305	1,274	2,580
More than 5 years and 7 years or less	2,063	2,249	4,313	2,286	2,156	4,443
More than 7 years	196,666	188,291	384,958	290,296	228,319	518,616
Unspecified term	-	7,802	7,802	-	7,773	7,773
Total	200,272	199,780	400,053	294,377	239,963	534,340

(8) Deposit-loan ratio

	Six months ended September 30, 2008	Six months ended September 30, 2009
At the end of the period	29.89%	40.03%
Average	29.58%	38.12%

Note:

$$\text{Deposit-loan ratio} = \frac{\text{Loan balance at the end (or average during the period)}}{\text{Deposit balance at the end (or average during the period)}} \times 100$$

(9) Risk-monitored loans

	(Millions of yen)	
	As of September 30, 2008	As of September 30, 2009
Bankrupt loans	78	174
Non-accrual delinquent loans	494	843
Past-due loans (three months or more)	-	-
Restructured loans	219	69
Total	792	1,086

(10) Balance of securities by category and remaining period

As of September 30, 2009

(Millions of yen)

	1 year or less	More than 1 year and 3 years or less	More than 3 years and 5 years or less	More than 5 years and 7 years or less	More than 7 years and 10 years or less	More than 10 years	Unspecified term	Total
Japanese government bonds	42,423	60,558	26,398	-	14,099	116,518	-	259,998
Local government bonds	-	3,220	-	3,213	-	-	-	6,434
Corporate bonds	84,997	160,803	46,317	5,097	318	832	-	298,366
Stocks	-	-	-	-	-	-	3,000	3,000
Other securities	57,389	118,329	46,393	4,828	8,012	2,679	8,563	246,195
Foreign bonds	47,945	118,329	46,393	4,828	8,012	2,679	-	228,188
Other	9,444	-	-	-	-	-	8,563	18,007
Total	184,810	342,912	119,108	13,139	22,430	120,030	11,563	813,995

As of September 30, 2008

(Millions of yen)

	1 year or less	More than 1 year and 3 years or less	More than 3 years and 5 years or less	More than 5 years and 7 years or less	More than 7 years and 10 years or less	More than 10 years	Unspecified term	Total
Japanese government bonds	46,948	53,447	25,783	-	7,909	110,795	-	244,885
Local government bonds	-	-	-	-	-	-	-	-
Corporate bonds	27,377	125,527	70,246	1,015	-	943	-	225,110
Stocks	-	-	-	-	-	-	3,000	3,000
Other securities	36,486	89,611	49,137	9,279	417	-	9,415	194,346
Foreign bonds	36,486	89,611	49,137	9,279	417	-	-	184,931
Other	-	-	-	-	-	-	9,415	9,415
Total	110,812	268,586	145,167	10,295	8,327	111,738	12,415	667,342

(11) Average balance of securities by category

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Japanese government bonds	265,683	269,169
Local government bonds	-	6,322
Short-term corporate bonds	1,332	-
Corporate bonds	181,078	305,043
Stocks	3,000	3,000
Other securities	195,614	261,903
Foreign bonds	184,414	230,490
Other	11,200	31,413
Total	646,710	845,439

(12) Deposit-securities ratio

	Six months ended September 30, 2008	Six months ended September 30, 2009
At the end of the period	49.86%	60.27%
Average	51.74%	61.79%

Note:

$$\text{Deposit-securities ratio} = \frac{\text{Securities balance at the end (or average during the period)}}{\text{Deposit balance at the end (or average of the period)}} \times 100$$

3. Additional information on Sony Bank Securities

Sony Bank Securities Inc. started operations in October 2007. As of September 30, 2009, the number of accounts grew to 32 thousand, compared with 28 thousand as of March 31, 2009. Customer assets as of September 30, 2009 totaled to ¥15.1 billion, up from ¥10.2 billion as of March 31, 2009.