

## Preliminary Consolidated Financial Results for the Nine Months Ended December 31, 2008 (Prepared in Accordance with Japanese GAAP)

Tokyo, January 29, 2009—Today, the parent company of Sony Financial Holdings Inc. (“SFH”), Sony Corporation, is expected to announce its consolidated financial results for the third quarter (or the three months) ended December 31, 2008, prepared in accordance with generally accepted accounting principles and practices in the United States (“U.S. GAAP”). Sony Corporation’s U.S. GAAP results are expected to include financial results for Sony Group’s Financial Services segment, which includes SFH and the SFH Group.

Although our preparation of financial results for SFH and the SFH Group, in accordance with generally accepted accounting principles and practices in Japan (“Japanese GAAP”), is not yet complete, preliminary consolidated financial results for the nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008) are provided below as part of our efforts to disclose information to our shareholders and investors in a timely and appropriate manner.

We plan to announce our definitive consolidated financial results for the nine months ended December 31, 2008, on February 12, 2009.

### 1. Preliminary Consolidated Financial Results for the Nine Months Ended December 31, 2008 (April 1, 2008 to December 31, 2008)

(Billions of yen)

	Ordinary revenues	Ordinary profit	Net income
For the nine months ended December 31, 2008 (Preliminary)	¥ 636.6	¥ 32.9	¥ 20.5
(Reference) For the nine months ended December 31, 2007 (Actual)	¥ 606.1	¥ 37.8	¥ 22.7

Note: The above-stated figures are prepared in accordance with Japanese GAAP. Fractional amounts of less than ¥ 0.1 billion are discarded.

### 2. Principal Reasons for Changes in Consolidated Financial Results

During the nine months ended December 31, 2008, **consolidated ordinary revenues** rose compared to the same period of the previous fiscal year, owing mainly to increases in ordinary revenues from the life insurance business. Ordinary revenues from the life insurance business increased, due to higher income from insurance premiums associated with an increased policy amount in force. In addition, strong sales of new automobile insurance policies in the non-life insurance business and higher interest income in line with business expansion in the banking business also contributed to the increase in consolidated ordinary revenues.

**Consolidated ordinary profit** decreased year on year, owing primarily to deterioration in asset investment conditions in the life insurance business, led by a significant fall in Japanese stock market prices. In the life insurance business, contingency reserve was partially reversed in response to lower investment yield associated with financial market deterioration. Additional factors behind the year-on-year decrease in consolidated ordinary profit were an increased amount of claims paid in the non-life insurance business, as natural disasters and other factors caused an increase in the loss ratio. Factors in the banking business included higher general and administrative expenses, such as

system-related expenses, despite the increase in gross operating profit.

**Consolidated net income** decreased year on year, reflecting the decline in consolidated ordinary profit. Before the consolidated net income for the nine months ended December 31, 2008, extraordinary income was recorded as the reserve for price fluctuations was partially reversed.

SFH's forecast of consolidated financial results for the fiscal year ending March 31, 2009, is unchanged from the forecast announced on May 14, 2008.

These preliminary results are based on information available to SFH's management as of this date, and may differ substantially from actual results expected to be announced on February 12, 2009 for a variety of reasons.

SFH's consolidated results\* are prepared in accordance with accounting principles and practices generally accepted in Japan. As such, these figures differ in significant respects from financial information reported by SFH's parent company, Sony Corporation, which prepares its financial statements in accordance with accounting principles and practices generally accepted in the United States.

\* The scope of consolidation for SFH's consolidated results included Sony Financial Holdings Inc., Sony Life Insurance Co., Ltd., Sony Assurance Inc., Sony Bank Inc., Sony Life Insurance (Philippines) Corporation, and Sony Bank Securities Inc. The scope of consolidation for SFH's consolidated results for the nine months ended December 31, 2008 also included AEGON Sony Life Planning Co., Ltd. as an affiliated company accounted for under the equity method.

On January 29, 2009, Sony Corporation will announce its consolidated financial results for the third quarter (or three months) ended December 31, 2008. SFH Group companies constitute the majority of Sony Group's Financial Services segment. However, the scope of Sony Group's Financial Services segment differs from the scope of SFH's consolidated results. For the scope of Sony Group's Financial Services segment, please refer to the January 29, 2009, news release from Sony Corporation.

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**Reference:**  
**Significant Differences between Japanese GAAP and U.S. GAAP**

SFH's consolidated results are prepared in accordance with accounting principles and practices generally accepted in Japan ("Japanese GAAP"). As such, these figures differ in significant respects from financial information reported by SFH's parent company, Sony Corporation, which prepares its financial statements in accordance with U.S. GAAP. Some significant differences between Japanese GAAP and U.S. GAAP are described as follows.

(1) Accounting treatment of convertible bonds (CBs)

Under Japanese GAAP, differences between the market value and the book value of CBs held as available-for-sale securities are recorded, as changes in net unrealized gains/losses on other securities, net of taxes, in net assets on the balance sheets, without charging to the income statements, whereas under U.S. GAAP, changes in the market value are reflected in the income statements in accordance with Statement of Financial Accounting Standards ("FAS") No. 155, "Accounting for Certain Hybrid Financial Instruments."

In addition, with respect to accounting treatments of stocks converted from CBs, under U.S. GAAP, the market value at the date of conversion to stocks is recognized as the book value of stocks that are converted from CBs, whereas under Japanese GAAP the book value is carried at the CB acquisition cost even after conversion. Consequently, as the book value (or acquisition cost) is different depending on which accounting treatments are applied, gains/losses on sales and impairment losses may differ as well.

Note: The majority of stocks held by the SFH Group have been those converted from CBs.

(2) Policy reserves (future insurance policy benefit) in the insurance business

Under the Insurance Business Law of Japan, insurance companies in Japan are required to accumulate a policy reserve for the fulfillment of future obligations such as payment of insurance benefits based on the accumulation method and actuarial assumptions approved by the authorities of the supervisory administrative agencies in Japan, whereas under U.S. GAAP, liabilities for future insurance policy benefit is primarily composed of the present value of estimated future payments to policyholders. As the calculation standards differ between the Japanese regulations and U.S. GAAP, profits and losses during the period differ as well.

Under U.S. GAAP, liabilities for future insurance policy benefits are computed by the net level premium method based upon the actuarial assumptions, such as future investment yield and other factors. These assumptions are reviewed on a periodic basis. But reviews are also made in case estimated/forecast future investment yield changes materially due to significant fluctuations in stock markets and other factors. Liabilities for future insurance policy benefits also include liabilities for minimum guaranteed benefits related to certain insurance products such as variable insurance policies. With respect to liabilities for minimum guaranteed benefits, the relevant insurance policies differ between the Japanese regulations and U.S. GAAP.

(3) Accounting treatment of insurance acquisition costs

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

Under U.S. GAAP, insurance acquisition costs include such items as commission, medical examination and inspection report fees that vary with and are primarily related to acquiring new insurance policies as long as they are recoverable.

(4) Contingency reserve

Pursuant to provisions of the Insurance Business Law, to ensure the fulfillment of future obligations, insurance companies in Japan are required to accumulate a contingency reserve to account for the risk of insurance payment events occurring at a higher-than-expected rate due to higher-than-expected mortality and morbidity rates (insurance risks), the risk of actual investment yields being lower than the assumed investment yields related to outstanding policies (assumed interest rate risk), the risk of actual investment

results being lower than the amount guaranteed related to minimum guaranteed portion of variable life insurance or variable annuities (minimum guarantee risks) and other risks. The Insurance Business Law establishes the accumulation standard and a maximum amount of reserve for each risk to provide and to reverse the contingency reserve. Contingency reserve is recorded as a component of policy reserve in the balance sheets.

Under U.S. GAAP, there is no requirement for the provision of such legal reserve.

(5) Reserve for price fluctuations

Pursuant to provisions of the Insurance Business Law, insurance companies in Japan are required to accumulate a reserve to cover losses due to price fluctuations in assets subject to market price volatility, particularly investments in stocks, bonds, and foreign currency-denominated investments. The Insurance Business Law establishes the accumulation standard and a minimum amount of reserve for each asset to provide and to reverse the reserve for price fluctuations. The reserve for price fluctuations may be reversed to reduce deficits arising from price fluctuations of those assets.

Under U.S. GAAP, there is no requirement for the provision of such legal reserve.