



Consolidated Financial Summary  
for the six months ended September 30, 2009

November 16, 2009

Company name: Sony Financial Holdings Inc.  
(URL: [http://www.sonyfh.co.jp/index\\_en.html/](http://www.sonyfh.co.jp/index_en.html/))  
Stock exchange listings: Tokyo Stock Exchange (code number: 8729)  
Representative: Teruhisa Tokunaka, President and Representative Director  
For inquiry: Masaaki Konoo, General Manager – Corporate Communications & Investor Relations Dept.  
(discarding fractional amounts of less than 1 million yen)

1. Consolidated financial results for the six months ended September 30, 2009

(1) Operating results

	Ordinary Revenues		Ordinary Profit		Net Income	
	millions of yen	%change	millions of yen	%change	millions of yen	%change
For the six months ended September 30, 2009	481,247	14.6	39,457	75.6	23,386	92.0
For the six months ended September 30, 2008	420,048	3.8	22,469	( 18.4 )	12,180	( 27.1 )

	Net Income per Share	Net Income per Share (Fully Diluted)
	yen	yen
For the six months ended September 30, 2009	10,752.29	-
For the six months ended September 30, 2008	5,600.26	-

(2) Financial conditions

	Total Assets	Total Net Assets	Net Assets Ratio	Net Assets per Share
	millions of yen	millions of yen	%	yen
As of September 30, 2009	5,584,758	249,997	4.5	114,941.40
As of March 31, 2009	5,313,677	204,897	3.9	94,205.75

Notes: 1. Stockholders' equity: As of September 30, 2009: ¥ 249,997 million  
As of March 31, 2009: ¥ 204,897 million  
2. Net assets ratio is computed by dividing the amount of total net assets by total assets at the end of the fiscal period.

2. Dividends

Record date	Dividend per Share				
	1st quarter	2nd quarter	3rd quarter	Year-end	Annual Total
	yen	yen	yen	yen	yen
For the year ended March 31, 2009	-	0.00	-	3,000.00	3,000.00
For the year ending March 31, 2010	-	0.00			
For the year ending March 31, 2010 (forecast)			-	3,000.00	3,000.00

3. Forecast of consolidated financial results for the year ending March 31, 2010

(percentage figures represent changes from the results of the previous fiscal period)

	Ordinary Revenues		Ordinary Profit		Net Income		Net Income per Share
	millions of yen	%change	millions of yen	%change	millions of yen	%change	yen
For the year ending March 31, 2010	944,000	9.7	64,000	86.8	36,000	17.2	16,551.72

4. Other Information

- (1) Changes in scope of consolidated subsidiaries during the fiscal period  
(changes in specified subsidiaries accompanying changes in scope of consolidation): None
- (2) Changes in accounting policies, procedures and presentation  
(a) Changes due to revision of accounting standards: None  
(b) Changes due to other reasons: None
- (3) Number of shares outstanding (common stock)  
(a) Number of shares outstanding (including treasury shares)  
As of September 30, 2009: 2,175,000 shares  
As of March 31, 2009: 2,175,000 shares  
(b) Number of treasury shares  
As of September 30, 2009: - shares  
As of March 31, 2009: - shares  
(c) Weighted-average number of shares  
For the six months ended September 30, 2009: 2,175,000 shares  
For the six months ended September 30, 2008: 2,175,000 shares

## Qualitative Information and Financial Statements

### 1. Qualitative Information on Consolidated Operating Performance

#### (1) Analysis of Operating Performance

During the six months ended September 30, 2009 (April 1, 2009 through September 30, 2009), **consolidated ordinary revenues** grew 14.6% compared with the same period of the previous fiscal year, to ¥481.2 billion, owing to increases in ordinary revenues from the life insurance business and the non-life insurance business, despite the decrease from the banking business.

In the life insurance business, ordinary revenues grew 16.3% year on year, to ¥432.6 billion, owing to higher income from insurance premiums associated with a steady increase in policy amount in force, as well as increases in investment income boosted by a relatively favorable financial market environment. In the non-life insurance business, ordinary revenues rose 10.7% year on year, to ¥33.9 billion, due to increases in net premiums written, reflecting a growing number of its mainstay automobile insurance policies. In the banking business, ordinary revenues decreased 13.7% year on year, to ¥15.3 billion, due to the global reductions in interest rates.

**Consolidated ordinary expenses** increased 11.1% compared with the same period of the previous fiscal year, to ¥441.7 billion, owing to increases in ordinary expenses from the life insurance business and the non-life insurance business, though those from the banking business decreased.

In the life insurance business, ordinary expenses increased 12.6% year on year, to ¥396.2 billion, due to increased provision for policy reserve and others associated with favorable investment performance in separate accounts. In the non-life insurance business, ordinary expenses grew 9.9% year on year, to ¥32.4 billion, owing to increases in the amount of net losses paid, led by a growing number of policies in force. In the banking business, however, ordinary expenses declined 16.6% year on year, to ¥13.8 billion, due to decreases in interest expenses on deposits, resulting from a decline in interest rates.

As a result, **consolidated ordinary profit** increased 75.6% compared with the same period of the previous fiscal year, to ¥39.4 billion, owing to increases in ordinary profit from all the businesses. Broken down by business, ordinary profit from the life insurance business increased 81.3% year on year, to ¥36.3 billion. Ordinary profit from the non-life insurance business increased 30.3% year on year, to ¥1.5 billion. In the banking business, ordinary profit increased 28.2% year on year, to ¥1.4 billion.

**Extraordinary losses** of ¥2.9 billion were recorded, due mainly to a provision for reserve for price fluctuations in the life insurance business.

After accounting for extraordinary gains and losses, provision for reserve for policyholders' dividends, and income taxes, **net income** for the six months ended September 30, 2009, increased 92.0% compared with the same period of the previous fiscal year, to ¥23.3 billion, boosted by the increase in ordinary profit.

## (2) Segment Information by Business

### Ordinary Revenues

(Millions of yen, %)

	For the six months ended September 30, 2008	For the six months ended September 30, 2009	Change (%)
Life insurance business	372,125	432,643	16.3
Non-life insurance business	30,713	33,993	10.7
Banking business	17,762	15,322	(13.7)
Subtotal	420,601	481,958	14.6
Corporate and eliminations	(553)	(711)	—
Consolidated	420,048	481,247	14.6

### Ordinary Profit

(Millions of yen, %)

	For the six months ended September 30, 2008	For the six months ended September 30, 2009	Change (%)
Life insurance business	20,072	36,396	81.3
Non-life insurance business	1,179	1,537	30.3
Banking business	1,150	1,475	28.2
Subtotal	22,402	39,409	75.9
Corporate and eliminations	66	48	(26.9)
Consolidated	22,469	39,457	75.6

## 2. Qualitative Information on Consolidated Financial Position

### Assets, Liabilities and Net Assets

As of September 30, 2009, **total assets** amounted to ¥5,584.7 billion, up 5.1% from March 31, 2009. As for major components of assets, securities, mostly Japanese government bonds, amounted to ¥3,958.3 billion, up 6.9% from March 31, 2009. Monetary trusts amounted to ¥534.8 billion, down 12.2% from March 31, 2009, and loans amounted to ¥658.1 billion, up 10.1% from March 31, 2009.

**Total liabilities** amounted to ¥5,334.7 billion, up 4.4% from March 31, 2009. As for major components of liabilities, policy reserve and others amounted to ¥3,883.9 billion, up 5.5% from March 31, 2009, and deposits amounted to ¥1,333.6 billion, up 0.6% from March 31, 2009.

**Total net assets** amounted to ¥249.9 billion, up 22.0% from March 31, 2009. Net unrealized gains on other securities, net of taxes, of ¥22.8 billion were recorded, up ¥27.6 billion from March 31, 2009, owing primarily to increases in the fair market value of securities held.

### **3. Qualitative Information on Consolidated Performance Forecasts**

SFH announced its revised consolidated financial forecast for the year ending March 31, 2010 (April 1, 2009, through March 31, 2010) on October 30, 2009. The previous forecast was announced on July 30, 2009. SFH revised its consolidated financial forecast for the year ending March 31, 2010, as follows.

#### **<Consolidated financial results forecast>**

(Billions of yen)

For the full year	Ordinary revenues	Ordinary profit	Net income
<b>Forecast for the year ending March 31, 2010</b>	<b>944.0</b>	<b>64.0</b>	<b>36.0</b>
(Reference) Actual results for the year ended March 31, 2009	860.3	34.2	30.7

(Reference)

Forecasts of ordinary revenues and ordinary profit from each business for the year ending March 31, 2010, are as follows. Previous forecasts for the year ending March 31, 2010 were disclosed in the Consolidated Financial Summary for the three months ended June 30, 2009, on August 11, 2009.

#### **<Life insurance business>**

SFH revised the financial results forecast of the life insurance business for the year ending March 31, 2010, owing to favorable operating performance for the six months ended September 30, 2009, as well as expected increases in interest income and dividends resulting from the continued purchase of ultralong-term bonds.

(Billions of yen)

For the full year	Ordinary revenues	Ordinary profit
<b>Updated forecast for the year ending March 31, 2010</b>	<b>852.0</b>	<b>61.1</b>
Previous forecast for the year ending March 31, 2010	808.7	43.5
(Reference) Actual results for the year ended March 31, 2009	766.2	32.5

#### **<Non-life insurance business>**

SFH revised its financial results forecast for the non-life insurance business for the year ending March 31, 2010, as ordinary revenues and ordinary profit for the six months ended September 30, 2009, exceeded our forecast, due to expanding business operations primarily in automobile insurance.

(Billions of yen)

For the full year	Ordinary revenues	Ordinary profit
<b>Updated forecast for the year ending March 31, 2010</b>	<b>66.3</b>	<b>2.0</b>
Previous forecast for the year ending March 31, 2010	65.3	1.2
(Reference) Actual results for the year ended March 31, 2009	61.8	2.1

## <Banking business>

The financial results forecast for the year ending March 31, 2010, remains unchanged from the latest announcement, on August 11, 2009

(Billions of yen)		
	Ordinary revenues	Ordinary profit
For the full year		
Forecast for the year ending March 31, 2010	<b>26.1</b>	<b>1.3</b>
(Reference) Actual results for the year ended March 31, 2009	33.3	(0.5)

The above-mentioned forecasts were made based on information currently available to us and may differ from actual results for a variety of reasons.

## **4. Information Concerning Significant Subsidiaries**

Below, we describe the operating performance for the six months ended September 30, 2009 of SFH's significant subsidiaries: Sony Life Insurance Co., Ltd. (Sony Life), Sony Assurance Inc. (Sony Assurance) and Sony Bank Inc. (Sony Bank). Sony Life, Sony Assurance and Sony Bank each separately announce their own results, which summary information in English is available on SFH's website.

### ■ Sony Life (Non-Consolidated)

Sony Life's ordinary revenues increased 16.3% from the same period of the previous fiscal year, to ¥432.5 billion, due to higher income from insurance premiums associated with an increased policy amount in force, as well as increases in investment income boosted by a relatively favorable financial market environment. Ordinary profit increased 82.5% year on year, to ¥36.4 billion, due to primarily increased insurance premiums, higher gains from investment, net, on general account assets, and reversal of policy reserve for minimum guarantee for variable life insurance. Net income increased 100.2% year on year, to ¥21.7 billion.

Core profit rose 72.9% year on year, to ¥28.5 billion, as a result of an increase in interest income and dividends, as well as a change from provision into reversal of policy reserve for minimum guarantee for variable life insurance.

Income from insurance premiums grew 3.8% from the same period of the previous fiscal year, to ¥339.3 billion, associated with a higher policy amount in force. Investment income increased 111.6% year on year, to ¥91.5 billion, due to increases in gains on separate accounts, net, and in interest income and dividends in line with growing balance of ultralong-term bonds. Investment expenses decreased 67.5% year on year, to ¥10.7 billion, as losses on separate accounts, net, for the same period of the previous fiscal year, turned into gains. As a result, gains from investment, net, for the total of general and separate accounts increased 683.5% from the same period of the previous fiscal year, to ¥80.8 billion, a part of which, gains from investment, net, on general account assets increased 23.9%, to ¥42.6 billion.

Insurance claims and other payments increased 6.8% year on year, to ¥134.4 billion. Operating expenses increased 1.4% year on year, to ¥47.5 billion.

Policy amount in force for the total of individual life insurance and individual annuities grew steadily, to ¥32,897.5 billion as of September 30, 2009, up 1.2% from March 31, 2009, and up 2.6% from September 30, 2008. The lapse and surrender rate\* for the total of individual life insurance and individual annuities rose 0.16 percentage point from the same period of the previous fiscal year, to 3.27%. Annualized premiums from total policies as of September 30, 2009, were up 1.9% from March 31, 2009, and up 3.2% from September 30, 2008, totaling ¥558.4 billion. Of this amount, the figure for third-sector products was up 2.4% from March 31, 2009, and up 4.1% from September 30, 2008, to ¥129.6 billion.

New policy amount for the total of individual life insurance and individual annuities decreased 4.0% from the same

period of the previous fiscal year, to ¥1,818.4 billion, owing mainly to a decline in sales of variable life insurance. Annualized premiums from new policies amounted to ¥32.0 billion, up 3.5%, of which the figure for third-sector products was ¥7.7 billion, up 18.5% year on year due to favorable sales of cancer hospitalization insurance, which commenced sales in April 2009.

Net unrealized gains on securities\*\* decreased ¥5.9 billion from March 31, 2009, to ¥56.8 billion. Net unrealized gains on other securities, net of taxes, amounted to ¥21.7 billion, up ¥17.7 billion from March 31, 2009.

As of September 30, 2009, Sony Life's solvency margin ratio was 2,433.8%, compared with 2,060.5% as of March 31, 2009.

\* The lapse and surrender rate is calculated without offsetting policies that are reinstated.

\*\* Net unrealized gains on securities are calculated as the difference between the carrying value before marking to market and the fair market value for securities with market value, other than trading-purpose securities. (The amount includes monetary trusts, but excludes trading-purpose securities.)

## ■ Sony Assurance

Sony Assurance posted a 10.7% increase in ordinary revenues compared with the same period of the previous fiscal year, to ¥33.9 billion, due to increased net premiums written, as the number of insurance policies in force grew for strong sales of new policies in its mainstay automobile insurance. Ordinary profit increased 30.3% year on year, to ¥1.5 billion, owing mainly to the increase in ordinary revenues and a decline in the net expense ratio. Net income increased 48.0% year on year, to ¥1.0 billion.

In terms of insurance underwriting performance, owing to an increased number of automobile insurance policies in force, both direct premiums written and net premiums written grew 10.8% year on year, amounting to ¥33.4 billion and ¥33.6 billion, respectively. An increased number of policies in force influenced net losses paid, causing a 14.6% year-on-year increase, to ¥16.1 billion. The net loss ratio rose 1.6 percentage points, compared with the same period of the previous fiscal year, to 54.0%. The net expense ratio decreased 1.0 percentage point year on year, to 25.2%, due to the increase in net premiums written, despite a 6.4% increase in underwriting expenses of ¥8.4 billion. Underwriting profits rose 41.3% year on year, to ¥1.2 billion, reflecting the adjustment of the provision for reserves for outstanding claims and underwriting reserves.

As of September 30, 2009, Sony Assurance's solvency margin ratio was 1,033.6%, compared with 993.0% as of March 31, 2009.

## ■ Sony Bank (Non-Consolidated)

Sony Bank's ordinary revenues decreased 13.8% compared with the same period of the previous fiscal year, to ¥15.2 billion, due to the global lowering of interest rates. Ordinary profit increased 20.2% year on year, to ¥1.9 billion, due to increases in net interest income, bolstered primarily by decreases in interest expenses and the growing balance of mortgage loans. Net income increased 16.9% compared with the same period of the previous fiscal year, to ¥1.1 billion, led by the increase in ordinary profit.

Gross operating profit increased 16.8% from the same period of the previous fiscal year, to ¥7.7 billion, led by an increase in net interest income. With respect to the breakdown of gross operating profit, net interest income rose 209.2% year on year, to ¥6.5 billion, due mainly to a decline in interest on deposits in the lowering of interest rates and higher interest on loans. Net fees and commissions were ¥10 million, down 88.8% year on year, due mainly to lower brokerage fees and commissions received. Net other operating income decreased 74.2% to ¥1.1 billion, compared with the same period of the previous fiscal year, mainly because gains from derivatives, net, which were held for hedging purposes, turned into losses.

General and administrative expenses expanded 14.3% during the same period of the previous fiscal year, to ¥5.6 billion, due mainly to an increase in system-related expenses.

As of September 30, 2009, customer assets (the sum of deposits and investment trusts) were up ¥27.6 billion, or 2.0%, from March 31, 2009, to ¥1,431.3 billion. As for the breakdown of customer assets as of September 30, 2009,

deposits amounted to ¥1,334.8 billion, up ¥8.4 billion, or 0.6%, from March 31, 2009. Investment trusts were ¥96.5 billion, up ¥19.2 billion, or 24.9% from March 31, 2009. Loans expanded to ¥534.3 billion, up ¥57.2 billion, or 12.0%, from March 31, 2009, owing to a growing balance of mortgage loans. As of September 30, 2009, the number of accounts was up 26 thousand from March 31, 2009, to 750 thousand accounts.

Net unrealized losses on other securities, net of taxes, a component of net assets, totaled ¥80 million, up ¥9.6 billion from March 31, 2009.

As of September 30, 2009, Sony Bank's non-consolidated capital adequacy ratio\* (domestic criteria) was 13.41%, compared with 13.37% as of March 31, 2009.

\* Sony Bank's non-consolidated capital adequacy ratio was calculated based on the standard stipulated by Article 14-2 of the Banking Law of Japan, in accordance with the Financial Services Agency of Japan ("FSA") public ministerial announcement No. 19 of 2006. The capital adequacy ratio as of and after December 31, 2008, employed the special exception of the standard mentioned above, in accordance with FSA public ministerial announcement No. 79 of 2008.

## **5. Other Information**

### **(1) Changes in scope of consolidated subsidiaries during the fiscal period (changes in specified subsidiaries accompanying changes in scope of consolidation)**

Not applicable.

### **(2) Changes in accounting policies, procedures and presentation**

Not applicable

**Consolidated Financial Statements**  
**1. Consolidated Balance Sheets**

(Millions of yen)

	As of September 30, 2009	As of March 31, 2009
<b>Assets:</b>		
Cash and due from banks	74,327	42,794
Call loans and bills bought	125,439	95,709
Commercial paper and other debt purchased	9,444	16,163
Monetary trusts	534,868	608,846
Securities	3,958,312	3,703,062
Loans	658,172	597,542
Tangible fixed assets	83,295	83,619
Intangible fixed assets	19,729	18,788
Goodwill	1,754	2,004
Others	17,974	16,783
Due from agencies	-	1
Due from reinsurers	539	144
Foreign exchanges	5,759	6,355
Other assets	87,351	91,424
Deferred tax assets	28,321	49,889
Reserve for possible loan losses	(800)	(665)
<b>Total Assets</b>	<b>5,584,758</b>	<b>5,313,677</b>
<b>Liabilities:</b>		
Policy reserve and others	3,883,945	3,680,731
Reserve for outstanding claims	38,360	34,843
Policy reserve	3,842,991	3,643,348
Reserve for policyholders' dividends	2,592	2,539
Due to agencies	1,206	1,216
Due to reinsurers	657	1,042
Deposits	1,333,690	1,325,320
Call money and bills sold	24,100	10,000
Borrowed money	2,000	2,000
Foreign exchanges	1	8
Other liabilities	64,905	68,086
Reserve for employees' bonuses	2,172	2,251
Reserve for employees' retirement benefits	14,649	13,435
Reserve for directors' retirement benefits	324	310
Reserve for price fluctuations	6,399	3,666
Reserve for financial products transaction liabilities	1	1
Deferred tax liabilities	-	0
Deferred tax liabilities on land revaluation	706	706
<b>Total Liabilities</b>	<b>5,334,761</b>	<b>5,108,779</b>

(Millions of yen)

	As of September 30, 2009	As of March 31, 2009
<b>Net Assets:</b>		
Common stock	19,900	19,900
Capital surplus	195,277	195,277
Retained earnings(deficits)	14,609	(2,251)
Total shareholders' equity	229,786	212,925
Net unrealized gains(losses) on other securities, net of taxes	22,814	(4,853)
Net deferred losses on hedging instruments, net of taxes	(964)	(1,449)
Land revaluation, net of taxes	(1,475)	(1,475)
Foreign currency translation adjustments	(163)	(248)
Total valuation and translation adjustments	20,210	(8,028)
Total Net Assets	249,997	204,897
Total Liabilities and Net Assets	5,584,758	5,313,677

## 2. Consolidated Statements of Income

(Millions of yen)

	For the six months ended September 30, 2008	For the six months ended September 30, 2009
Ordinary Revenues	420,048	481,247
Ordinary Revenues from the Life Insurance Business:	371,609	431,960
Income from insurance premiums	326,936	339,141
Insurance premiums	326,675	338,261
Ceded reinsurance commissions	260	879
Investment income	43,583	91,646
Interest income and dividends	27,080	32,958
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 redemption of securities	403	1,096
Gains on derivatives, net	29	-
Foreign exchange gains, net	158	-
Other investment income	0	37
Gains on separate accounts, net	-	38,183
Other ordinary income	1,090	1,172
Ordinary Revenues from the Non-life Insurance Business:	30,707	33,992
Underwriting income	30,371	33,636
Net premiums written	30,351	33,620
Interest and dividends on deposits of premiums	19	15
Investment income	323	341
Interest income and dividends	336	342
Gains on sale of securities	5	7
Gains on redemption of securities	0	6
Transfer to interest and dividends on deposits of premiums	(19)	(15)
Other ordinary income	13	14
Ordinary Revenues from the Banking Business:	17,731	15,294
Interest income	10,673	11,739
Interest income on loans	4,303	5,822
Interest income and dividends on securities	4,852	5,599
Interest income on call loans and bills bought	1,420	45
Interest income on deposits with banks	5	12
Interest income on interest rate swaps	6	0
Other interest income	85	259
Fees and commissions	968	983
Other operating income	6,022	2,561
Gains on foreign exchange transactions, net	4,508	2,348
Others	1,513	212
Other ordinary income	67	9

(Millions of yen)

	For the six months ended September 30, 2008	For the six months ended September 30, 2009
Ordinary Expenses	397,579	441,789
Ordinary Expenses from the Life Insurance Business:	351,969	396,052
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
Other payments	849	852
Reinsurance premiums	1,063	1,076
Provision for policy reserve and others	140,852	197,370
Provision for reserve for outstanding claims	1,034	2,430
Provision for policy reserve	139,796	194,938
Interest portion of reserve for policyholders' dividends	21	2
Investment expenses	32,970	10,592
Interest expenses	9	15
Losses on sale of securities	1,351	5,334
Devaluation losses on securities	2,997	-
Losses on redemption of securities	21	315
Foreign exchange losses, net	-	141
Provision for reserve for possible loan losses	12	0
Depreciation of real estate for rent and others	1,441	1,349
Other investment expenses	3,024	3,435
Losses on separate accounts, net	24,111	-
Operating expenses	46,855	47,502
Other ordinary expenses	5,450	6,162
Ordinary Expenses from the Non-life Insurance Business:	29,314	32,231
Underwriting expenses	21,901	24,374
Net losses paid	14,124	16,181
Loss adjustment expenses	1,771	1,972
Net commission and brokerage fees	354	435
Provision for reserve for outstanding claims	1,084	1,086
Provision for underwriting reserve	4,565	4,698
Other underwriting expenses	0	0
Investment expenses	14	13
Losses on sale of securities	-	12
Devaluation losses on securities	14	-
Losses on redemption of securities	-	1
Operating, general and administrative expenses	7,395	7,836
Other ordinary expenses	4	6

(Millions of yen)

	For the six months ended September 30, 2008	For the six months ended September 30, 2009
Ordinary Expenses from the Banking Business:	16,294	13,505
Interest expenses	8,542	5,162
Interest expenses on deposits	8,151	4,368
Interest expenses on call money and bills sold	29	15
Interest on borrowed money	12	25
Interest expenses on interest rate swaps	348	753
Other interest expenses	0	0
Fees and commissions	603	588
Other operating expenses	1,642	1,429
General and administrative expenses	5,375	6,162
Other ordinary expenses	131	161
Ordinary Profit	22,469	39,457
Extraordinary Gains	3	-
Gains on disposal of fixed assets	0	-
Reversal of reserve for price fluctuations	2	-
Extraordinary Losses	678	2,921
Losses on disposal of fixed assets	105	183
Impairment losses	0	4
Provision for reserve for price fluctuations	568	2,732
Others	4	-
Provision for Reserve for Policyholders' Dividends	1,688	224
Income Before Income Taxes	20,105	36,312
Income Taxes	7,924	12,925
- Current	9,026	7,064
- Deferred	(1,101)	5,860
Net Income	12,180	23,386

### 3. Consolidated Statements of Changes in Net Assets

(Millions of yen)

	For the six months ended September 30, 2008	For the six months ended September 30, 2009
<b>Shareholders' Equity</b>		
<b>Common stock</b>		
Balance at the end of the previous period	19,900	19,900
Changes during the period		
Total changes during the period	-	-
Balance at the end of the current period	19,900	19,900
<b>Capital surplus</b>		
Balance at the end of the previous period	195,277	195,277
Changes during the period		
Total changes during the period	-	-
Balance at the end of the current period	195,277	195,277
<b>Retained earnings(deficits)</b>		
Balance at the end of the previous period	(26,417)	(2,251)
Changes during the period		
Dividends from surplus	(6,525)	(6,525)
Net income	12,180	23,386
Decrease resulting from change in scope of application of equity method	(31)	-
Total changes during the period	5,624	16,861
Balance at the end of the current period	(20,793)	14,609
<b>Total shareholders' equity</b>		
Balance at the end of the previous period	188,759	212,925
Changes during the period		
Dividends from surplus	(6,525)	(6,525)
Net income	12,180	23,386
Decrease resulting from change in scope of application of equity method	(31)	-
Total changes during the period	5,624	16,861
Balance at the end of the current period	194,384	229,786

	For the six months ended September 30, 2008	For the six months ended September 30, 2009
Valuation and Translation Adjustments		
Net unrealized gains(losses) on other securities, net of taxes		
Balance at the end of the previous period	74,902	(4,853)
Changes during the period		
Net changes of items other than shareholders' equity	(68,336)	27,667
Total changes during the period	(68,336)	27,667
Balance at the end of the current period	6,566	22,814
Net deferred losses on hedging instruments, net of taxes		
Balance at the end of the previous period	(1,345)	(1,449)
Changes during the period		
Net changes of items other than shareholders' equity	514	485
Total changes during the period	514	485
Balance at the end of the current period	(830)	(964)
Land revaluation, net of taxes		
Balance at the end of the previous period	(1,475)	(1,475)
Changes during the period		
Total changes during the period	-	-
Balance at the end of the current period	(1,475)	(1,475)
Foreign currency transaction adjustments		
Balance at the end of the previous period	786	(248)
Changes during the period		
Net changes of items other than shareholders' equity	(456)	85
Total changes during the period	(456)	85
Balance at the end of the current period	330	(163)
Total valuation and translation adjustments		
Balance at the end of the previous period	72,868	(8,028)
Changes during the period		
Net changes of items other than shareholders' equity	(68,277)	28,238
Total changes during the period	(68,277)	28,238
Balance at the end of the current period	4,590	20,210
Total Net Assets		
Balance at the end of the previous period	261,627	204,897
Changes during the period		
Dividends from surplus	(6,525)	(6,525)
Net income	12,180	23,386
Decrease resulting from change in scope of application of equity method	(31)	-
Net changes of items other than shareholders' equity	(68,277)	28,238
Total changes during the period	(62,653)	45,100
Balance at the end of the current period	198,974	249,997

## 4. Segment Information

Millions of yen						
For the six months ended September 30, 2008						
	Life insurance business	Non-life insurance business	Banking business	Total	Elimination	Consolidated
Ordinary revenues:						
External customers	¥ 371,609	¥ 30,707	¥ 17,731	¥ 420,048	-	¥ 420,048
Intersegment	516	5	30	553	¥ (553)	-
Total	372,125	30,713	17,762	420,601	(553)	420,048
Ordinary expenses	352,053	29,533	16,611	398,198	(619)	397,579
Ordinary profit	¥ 20,072	¥ 1,179	¥ 1,150	¥ 22,402	¥ 66	¥ 22,469

Millions of yen						
For the six months ended September 30, 2009						
	Life insurance business	Non-life insurance business	Banking business	Total	Elimination	Consolidated
Ordinary revenues:						
External customers	¥ 431,960	¥ 33,992	¥ 15,294	¥ 481,247	-	¥ 481,247
Intersegment	683	0	27	711	¥ (711)	-
Total	432,643	33,993	15,322	481,958	(711)	481,247
Ordinary expenses	396,246	32,455	13,846	442,549	(760)	441,789
Ordinary profit	¥ 36,396	¥ 1,537	¥ 1,475	¥ 39,409	¥ 48	¥ 39,457

### Notes)

- Life insurance business consists of Sony Life Insurance Co., Ltd., Sony Life Insurance (Philippines) Corporation, AEGON Sony Life Insurance Co., Ltd.(its name was changed from AEGON Sony Life Planning Co., Ltd. on August, 2009), non-life insurance business consists of Sony Assurance Inc. and banking business consists of Sony Bank Inc. and Sony Bank Security Inc.,.
- Amounts of unallocated ordinary expenses that are included in 'Elimination' for the six months ended September 30, 2008 and 2009 are ¥468 million and ¥486 million, respectively, most of which are ordinary expenses of SFH.

## 5. Per Share Information

Net income per share is calculated based on the weighted-average number of shares of common stock outstanding during the period. For the six months ended September 30, 2008 and 2009, net income per share was ¥5,600.26 and ¥10,752.29, respectively. There were no potential dilutive securities. Net assets per share, calculated based on the number of shares of common stock outstanding as of March 31 and September 30, 2009, were ¥94,205.75 and ¥114,941.40, respectively.

The basis for this calculation for the six months ended September 30, 2008 and 2009 is net income of ¥12,180 million and ¥23,386 million, respectively, the entire amount of which is applicable to common stocks. The weighted-average number of shares outstanding for the six months ended September 30, 2008 and 2009 were both 2,175,000 shares.

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 SFH's scope of consolidation includes Sony Financial Holdings Inc., Sony Life Insurance Co. Ltd., Sony Life Insurance (Philippines) Corporation, Sony Assurance Inc., Sony Bank Inc., Sony Bank Securities Inc. and AEGON Sony Life Insurance Co., Ltd.(previously: AEGON Sony Life Planning Co., Ltd), as an affiliated company accounted for under the equity method.

On October 30, 2009, Sony Corporation announced its consolidated financial results for the second quarter ended September 30, 2009. 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 October 30, 2009, news release by Sony Corporation.

This Consolidated Financial Summary contains statements concerning the current plans, expectations, strategies and beliefs of the Sony Financial Holdings Group (the "SFH Group"). Any statements contained herein that pertain to future operating performance and that are not historic facts are forward-looking statements. Forward-looking statements may include—but are not limited to—statements using words such as "believe," "anticipate," "plan," "strategy," "expect," "forecast," "predict," "possibility" that describe future operating activities, financial performance, events or conditions. Forward-looking statements, whether spoken or written, are based on judgments made by the management of the SFH Group based on information that is currently available to it. As such, forward-looking statements are subject to various risks and uncertainties, and actual results may vary substantially from those expressed or implied in forward-looking statements. Consequently, investors are cautioned not to place undue reliance on forward-looking statements. The SFH Group disclaims any obligation to revise forward-looking statements in light of new information, future events or other findings.

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For inquiries: Masaaki Konoo or Hiroko Hanakura  
Corporate Communications & Investor Relations Dept. Sony Financial Holdings Inc.  
Telephone: +81-3-5785-1074      E-mail: [press@sonyfh.co.jp](mailto:press@sonyfh.co.jp)  
Website of Sony Financial Holdings Inc.   [http://www.sonyfh.co.jp/index\\_en.html](http://www.sonyfh.co.jp/index_en.html)