

Announcement of Subsidiary Capital Increase through Allocation of New Shares

Tokyo, February 22, 2006 – Sony Financial Holdings Inc. (“SFH”) has implemented a capital increase of its consolidated subsidiary, Sony Bank Inc. (“Sony Bank”), by completing the payment for shareholder allocation of Sony Bank’s new shares, as outlined below.

Sony Bank, an Internet bank for individual customers that provides highly convenient financial products and services, has expanded its operations steadily since it began operations in 2001. For the third quarter (from October 1, 2005 to December 31, 2005) of the fiscal year ending March 31, 2006, Sony Bank achieved profitable financial results based on Japanese GAAP (Generally Accepted Accounting Principles) for the fourth consecutive quarter.* The capital increase is intended to provide Sony Bank with funds that will help further strengthen its financial position to generate further growth.

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| 1. New shares allocated to SFH | 25,000 common shares |
| 2. Payment | ¥2.5 billion (¥100,000 per share) |
| 3. Change in Sony Bank capital structure | |

	<u>Before increase</u>	<u>After increase</u>
Sony Bank shares issued and outstanding	475,000 shares	500,000 shares
Sony Bank’s Common Stock	¥23.75 billion	¥25.00 billion
Sony Bank’s Capital Surplus	¥13.75 billion	¥15.00 billion
Sony Bank’s shareholder ownership:		
SFH	87.4%	88.0%
Sumitomo Mitsui Banking Corporation	415,000 shares 12.6%	440,000 shares 12.0%
	60,000 shares	60,000 shares

*Sony Bank maintains its accounting records and prepares its financial statements in Japanese yen in accordance with the Commercial Code of Japan and the Banking Law of Japan and in conformity with generally accepted accounting principles in Japan.

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