

October 31, 2008
Sony Financial Holdings Inc.
Sony Bank Inc.

Allocation of New Shares to Increase Capital of Sony Bank

Sony Financial Holdings (“SFH”) announced a resolution at its Board of Directors Meeting held today to implement a ¥6.0 billion capital increase of its wholly-owned subsidiary, Sony Bank Inc. (“Sony Bank”), through the allocation of new shares to Sony Bank.

Sony Bank has steadily expanded its business as a bank focusing on individual customers’ asset management since it began operations in 2001. In view of the current market environment, SFH aims to enhance Sony Bank’s financial soundness and to support its further growth through an increase of Sony Bank’s capital

Sony Bank’s capital adequacy ratio (domestic criteria) on a consolidated basis as of September 30, 2008, was 8.80% (preliminary), which is significantly higher than the 4.0% minimum required for banks operating only in Japan under the Banking Law of Japan

[Outline of Sony Bank’s Capital Increase]

1. New shares to be allocated to SFH	60,000 shares of common stock	
2. The amount of SFH’s payment	¥6.0 billion (¥100,000 per share)	
3. Increase in Sony Bank’s common stock	¥3.0 billion	
4. Changes in Sony Bank’s capital structure		
	<u>Before</u>	<u>After</u>
Sony Bank’s number of shares outstanding	560,000 shares	620,000 shares
Number of Sony Bank’s shares held by SFH	560,000 shares	620,000 shares
SFH’s share ownership in Sony Bank	100%	100%
Sony Bank’s common stock	¥28.0 billion	¥31.0 billion
5. Payment date	November 12, 2008	

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