

# Financial Data (Non-consolidated)

## Balance Sheets

Sony Life Insurance Co., Ltd.  
As of March 31, 2019 and 2020

	2019		2020	
	Amount	Composition	Amount	Composition
Millions of yen, %				
<b>Assets</b>				
Cash and deposits	82,046	0.8%	157,709	1.4%
Cash	—		1	
Deposits	82,046		157,708	
Call loans	93,700	0.9	—	—
Money held in trust	269,387	2.6	40	0.0
Securities	9,523,877	91.8	10,629,972	94.6
Japanese government bonds	7,356,090		7,915,466	
Japanese local government bonds	448		1,045	
Japanese corporate bonds	536,373		616,199	
Japanese stocks	49,381		50,127	
Foreign securities	1,262,611		1,765,943	
Other securities	318,971		281,191	
Loans	198,410	1.9	208,632	1.9
Policy loans	198,369		208,069	
Commercial loans	41		562	
Tangible fixed assets	91,577	0.9	93,619	0.8
Land	62,259		64,715	
Buildings	28,544		27,843	
Leased assets	20		408	
Other tangible fixed assets	752		651	
Intangible fixed assets	26,352	0.3	28,629	0.3
Software	26,352		28,629	
Due from reinsurers	1,036	0.0	1,205	0.0
Other assets	81,154	0.8	99,286	0.9
Other receivables	39,287		41,194	
Prepaid expenses	2,345		2,556	
Accrued income	21,941		23,616	
Money on deposits	5,580		6,167	
Initial margins of futures markets	3,279		5,097	
Variation margins of futures markets	72		1,032	
Derivatives	448		18,776	
Cash collateral paid for financial instruments	7,410		—	
Advance payments	718		767	
Others	71		77	
Prepaid pension costs	2,629	0.0	3,271	0.0
Deferred tax assets	14,248	0.1	19,308	0.2
Reserve for possible loan losses	(623)	(0.0)	(652)	(0.0)
Reserve for investment losses	(3,650)	(0.0)	(3,899)	(0.0)
<b>Total Assets</b>	<b>10,380,148</b>	<b>100.0</b>	<b>11,237,124</b>	<b>100.0</b>

## ■ Sony Life Financial Data (Non-consolidated)

	Millions of yen, %			
	2019		2020	
	Amount	Composition	Amount	Composition
<b>Liabilities</b>				
Policy reserves and others	9,310,577	89.7%	10,004,643	89.0%
Reserve for outstanding claims	37,610		40,403	
Policy reserves	9,268,422		9,959,832	
Reserve for policyholders' dividends	4,544		4,407	
Due to agencies	2,073	0.0	2,408	0.0
Due to reinsurers	5,528	0.1	5,344	0.0
Other liabilities	469,820	4.5	602,739	5.4
Payables under repurchase agreements	81,474		268,520	
Collateral for securities lending transactions	331,055		257,580	
Accrued income tax	13,914		17,194	
Other payables	2,975		2,574	
Accrued expenses	21,071		24,338	
Unearned revenue	798		881	
Deposits received	1,321		620	
Deposits received for guarantee	4,204		4,539	
Variation margins of futures markets	753		—	
Derivatives	8,189		1,215	
Cash collateral received for financial instruments	—		17,990	
Lease obligations	22		456	
Asset retirement obligations	1,898		1,968	
Suspense receipt	2,140		4,859	
Reserve for employees' retirement benefits	28,002	0.3	29,528	0.3
Reserve under the special laws	50,105	0.5	52,768	0.5
Reserve for price fluctuations	50,105		52,768	
Deferred tax liabilities on land revaluation	109	0.0	109	0.0
<b>Total Liabilities</b>	<b>9,866,217</b>	<b>95.0</b>	<b>10,697,541</b>	<b>95.2</b>
<b>Net Assets</b>				
Common stock	70,000	0.7	70,000	0.6
Capital surplus	5,865	0.1	5,865	0.1
Capital reserve	5,865		5,865	
Retained earnings	317,777	3.1	342,321	3.0
Legal retained earnings	40,188		46,628	
Other retained earnings	277,588		295,692	
Unappropriated retained earnings	277,588		295,692	
<b>Total shareholders' equity</b>	<b>393,642</b>	<b>3.8</b>	<b>418,186</b>	<b>3.7</b>
Net unrealized gains (losses) on available-for-sale securities, net of taxes	122,727	1.2	123,835	1.1
Land revaluation, net of taxes	(2,439)	(0.0)	(2,439)	(0.0)
<b>Total valuation and translation adjustments</b>	<b>120,288</b>	<b>1.2</b>	<b>121,396</b>	<b>1.1</b>
<b>Total Net Assets</b>	<b>513,930</b>	<b>5.0</b>	<b>539,582</b>	<b>4.8</b>
<b>Total Liabilities and Net Assets</b>	<b>10,380,148</b>	<b>100.0</b>	<b>11,237,124</b>	<b>100.0</b>

## ■ Sony Life Financial Data (Non-consolidated)

### Statements of Income

Sony Life Insurance Co., Ltd.

For the years ended March 31, 2019 and 2020

	Millions of yen	
	2019	2020
<b>Ordinary Revenues</b>	1,464,218	<b>1,580,117</b>
<b>Income from insurance premiums</b>	1,136,104	<b>1,330,860</b>
Insurance premiums	1,132,732	<b>1,327,857</b>
Ceded reinsurance commissions	3,372	<b>3,003</b>
<b>Investment income</b>	278,935	<b>193,718</b>
Interest income and dividends	166,937	<b>181,811</b>
Interest income from deposits	0	<b>0</b>
Interest income and dividends on securities	150,733	<b>164,700</b>
Interest income from loans	6,828	<b>7,049</b>
Income from real estate for rent	8,831	<b>9,710</b>
Other interest income and dividends	543	<b>350</b>
Income from money held in trust, net	4,490	<b>4,013</b>
Gains on trading securities, net	—	<b>156</b>
Gains on sale of securities	6,107	<b>3,637</b>
Gains on derivatives, net	—	<b>4,098</b>
Foreign exchange gains, net	13,455	—
Other investment income	—	<b>1</b>
Gains on separate accounts, net	87,944	—
<b>Other ordinary income</b>	49,178	<b>55,537</b>
Income for annuity riders	4,027	<b>4,893</b>
Proceeds from deferred insurance	43,046	<b>48,707</b>
Other ordinary income	2,104	<b>1,936</b>

## ■ Sony Life Financial Data (Non-consolidated)

	Millions of yen	
	2019	2020
<b>Ordinary Expenses</b>	1,384,406	<b>1,491,396</b>
<b>Insurance claims and other payments</b>	457,252	<b>511,945</b>
Insurance claims	92,997	<b>98,533</b>
Annuity payments	13,489	<b>14,644</b>
Insurance benefits	131,824	<b>155,883</b>
Surrender payments	204,351	<b>228,538</b>
Refund to policyholders	3,659	<b>3,722</b>
Reinsurance premiums	10,929	<b>10,622</b>
<b>Provision for policy reserves and others</b>	704,780	<b>694,202</b>
Provision for reserve for outstanding claims	2,433	<b>2,792</b>
Provision for policy reserves	702,346	<b>691,409</b>
Interest portion of reserve for policyholders' dividends	0	<b>0</b>
<b>Investment expenses</b>	24,638	<b>68,127</b>
Interest expenses	1,604	<b>5,059</b>
Losses on trading securities, net	126	—
Losses on sale of securities	34	<b>50</b>
Losses on valuation of securities	4,026	<b>6,316</b>
Losses on derivatives, net	13,925	—
Foreign exchange losses, net	—	<b>6,345</b>
Provision for reserve for possible loan losses	329	<b>43</b>
Depreciation of real estate for rent and others	1,599	<b>1,637</b>
Other investment expenses	2,992	<b>2,683</b>
Losses on separate accounts, net	—	<b>45,990</b>
<b>Operating expenses</b>	146,984	<b>156,454</b>
<b>Other ordinary expenses</b>	50,750	<b>60,666</b>
Deferred insurance payments	28,655	<b>34,795</b>
Taxes	13,419	<b>16,011</b>
Depreciation and amortization	6,248	<b>7,506</b>
Provision for reserve for employees' retirement benefits	2,402	<b>2,346</b>
Others	25	<b>7</b>
<b>Ordinary Profit</b>	79,812	<b>88,720</b>

## ■ Sony Life Financial Data (Non-consolidated)

### Statements of Income (Continued)

	Millions of yen	
	2019	2020
<b>Extraordinary Losses</b>	5,929	3,272
Losses on disposal of fixed assets	63	95
Impairment losses	39	21
Provision for reserve under the special laws	2,175	2,663
Provision for reserve for price fluctuations	2,175	2,663
Losses on valuation of shares of subsidiaries	—	244
Provision for reserve for investment losses	3,650	249
Provision for Reserve for Policyholders' Dividends	2,146	2,422
<b>Income Before Income Taxes</b>	71,737	83,025
Income Taxes - Current	25,328	31,333
Income Taxes - Deferred	(3,194)	(5,052)
<b>Total Income Taxes</b>	22,134	26,281
<b>Net Income</b>	49,602	56,743

## ■ Sony Life Financial Data (Non-consolidated)

### Statements of Changes in Net Assets

Sony Life Insurance Co., Ltd.

For the years ended March 31, 2019 and 2020

Millions of yen

	2019						
	Shareholders' equity						
	Capital surplus			Retained earnings			
	Common stock	Capital reserve	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
Unappropriated retained earnings							
Balance at the beginning of the period	70,000	5,865	5,865	34,938	259,486	294,424	370,289
Changes during the period							
Dividends from surplus	—	—	—	5,250	(31,500)	(26,250)	(26,250)
Net income	—	—	—	—	49,602	49,602	49,602
Net changes of items other than shareholders' equity	—	—	—	—	—	—	—
Total changes during the period	—	—	—	5,250	18,102	23,352	23,352
Balance at the end of the period	70,000	5,865	5,865	40,188	277,588	317,777	393,642

	2019			
	Valuation and translation adjustments			
	Net unrealized gains (losses) on available-for-sale securities, net of taxes	Land revaluation, net of taxes	Total valuation and translation adjustments	Total net assets
Balance at the beginning of the period	124,936	(2,439)	122,497	492,787
Changes during the period				
Dividends from surplus	—	—	—	(26,250)
Net income	—	—	—	49,602
Net changes of items other than shareholders' equity	(2,208)	—	(2,208)	(2,208)
Total changes during the period	(2,208)	—	(2,208)	21,143
Balance at the end of the period	122,727	(2,439)	120,288	513,930

## ■ Sony Life Financial Data (Non-consolidated)

### Statements of Changes in Net Assets (Continued)

Millions of yen

	2020						
	Shareholders' equity						
	Capital surplus			Retained earnings			
	Common stock	Capital reserve	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
Unappropriated retained earnings							
Balance at the beginning of the period	70,000	5,865	5,865	40,188	277,588	317,777	393,642
Changes during the period							
Dividends from surplus	—	—	—	6,440	(38,640)	(32,200)	(32,200)
Net income	—	—	—	—	56,743	56,743	56,743
Net changes of items other than shareholders' equity	—	—	—	—	—	—	—
Total changes during the period	—	—	—	6,440	18,103	24,543	24,543
Balance at the end of the period	70,000	5,865	5,865	46,628	295,692	342,321	418,186

Millions of yen

	2020			
	Valuation and translation adjustments			
	Net unrealized gains (losses) on available-for-sale securities, net of taxes	Land revaluation, net of taxes	Total valuation and translation adjustments	Total net assets
Balance at the beginning of the period	122,727	(2,439)	120,288	513,930
Changes during the period				
Dividends from surplus	—	—	—	(32,200)
Net income	—	—	—	56,743
Net changes of items other than shareholders' equity	1,107	—	1,107	1,107
Total changes during the period	1,107	—	1,107	25,651
Balance at the end of the period	123,835	(2,439)	121,396	539,582

## ■ Sony Life Financial Data (Non-consolidated)

### Notes

Sony Life Insurance Co., Ltd.

#### (Retirement benefit obligations)

As of March 31, for the year ended March 31,

1. Overview of retirement benefit plans

A lump-sum retirement benefit plan is provided to sales employees as a defined benefit plan. A defined benefit corporate pension plan is provided to office employees as a defined benefit plan. Also, a defined contribution pension plan is provided as a defined contribution plan.

2. Defined benefit plan

(1) Reconciliation of beginning and ending balances of retirement benefit obligations

	Millions of yen	
	2019	2020
Balance at the beginning of the period	41,964	43,359
Service cost	4,558	4,635
Interest cost	95	68
Net actuarial gains (losses)	117	(714)
Retirement benefits paid	(3,376)	(3,349)
Balance at the end of the period	43,359	44,001

(2) Reconciliation of beginning and ending balances of plan assets

	Millions of yen	
	2019	2020
Balance at the beginning of the period	15,371	16,195
Expected return on plan assets	153	161
Net actuarial gains (losses)	35	(688)
Employer contribution	1,201	1,463
Retirement benefits paid	(567)	(422)
Balance at the end of the period	16,195	16,709

(3) Reconciliation of retirement benefit obligations and plan assets, and reserve for employees' retirement benefits and prepaid pension costs recorded on the balance sheets

	Millions of yen	
	2019	2020
Funded retirement benefit obligations	12,239	12,984
Plan assets	(16,195)	(16,709)
	(3,955)	(3,724)
Unfunded retirement benefit obligations	31,120	31,016
Unrecognized net actuarial gains (losses)	(1,791)	(1,034)
Net liabilities and assets recorded on the balance sheets	25,373	26,256
Reserve for employees' retirement benefits	28,002	29,528
Prepaid pension cost	(2,629)	(3,271)
Net liabilities and assets recorded on the balance sheets	25,373	26,256

(4) Gains (losses) related to retirement benefits

	Millions of yen	
	2019	2020
Service cost	4,558	4,635
Interest cost	95	68
Expected return on plan assets	(153)	(161)
Recognized actuarial gains (losses)	711	730
Others	80	71
Retirement benefit expenses related to defined benefit plans	5,291	5,344

## ■ Sony Life Financial Data (Non-consolidated)

(5) Main components of plan assets

The percentage share of components by main asset class out of total plan assets is as follows:

	2019	2020
Bonds	67%	70%
Stocks	30%	26%
Others	3%	4%
Total	100%	100%

(6) Method of setting the long-term expected rate of return on plan assets

The long-term expected rate of return on plan assets is determined by taking into account the current and expected allocation of plan assets, and the current long-term return rate and the long-term return rate that are expected in the future based on the various assets that comprise the plan assets.

(7) Bases for calculating actuarial gain or loss

The main bases for calculating actuarial gain or loss are as follows:

	2019	2020
Discount rate		
for sales employees	0.1%	0.4%
for office employees	0.3%	0.6%
Long-term expected rate of return on plan assets	1.0%	1.0%

3. Defined contribution plan

The amounts of contribution required for defined contribution plans by Sony Life were ¥111 million and ¥121 million for the year ended March 31, 2019 and 2020, respectively.

**(Tax effect accounting)**

As of March 31, for the year ended March 31,

1. The total amount of deferred tax assets was ¥68,594 million, while the total amount of deferred tax liabilities was ¥48,776 million for fiscal 2019. Of the deferred tax assets, the amount deducted as valuation allowance was ¥5,569 million.

The breakdown of major factors giving rise to the deferred tax assets is policy reserves and others of ¥34,020 million, a reserve for price fluctuations of ¥14,029 million, a reserve for employees' retirement benefits of ¥7,104 million, losses on valuation of securities of ¥4,637 million and excess depreciation and amortization of ¥2,940 million.

Of the amount deducted from deferred tax assets as the amount of valuation allowance, the amount of valuation allowance on total deductible temporary differences is ¥5,569 million.

The major factor giving rise to the deferred tax liabilities is net unrealized gains on available-for-sale securities of ¥48,142 million.

The main reason for changes in the amount deducted from deferred tax assets as the amount of valuation allowance is the additional recognition of valuation allowance pertaining to losses on valuation of securities and reserve for investment loss.

The total amount of deferred tax assets was ¥76,804 million, while the total amount of deferred tax liabilities was ¥50,122 million for fiscal 2020. Of the deferred tax assets, the amount deducted as valuation allowance was ¥7,373 million.

The breakdown of major factors giving rise to the deferred tax assets is policy reserves and others of ¥38,518 million, a reserve for price fluctuations of ¥14,775 million, a reserve for employees' retirement benefits of ¥7,351 million, losses on valuation of securities of ¥6,484 million and excess depreciation and amortization of ¥2,732 million.

Of the amount deducted from deferred tax assets as the amount of valuation allowance, the amount of valuation allowance on total deductible temporary differences is ¥7,373 million.

The major factor giving rise to the deferred tax liabilities is net unrealized gains on available-for-sale securities of ¥48,134 million.

The main reason for changes in the amount deducted from deferred tax assets as the amount of valuation allowance is the additional recognition of valuation allowance pertaining to losses on valuation of securities.

2. The statutory effective tax rate in fiscal 2019 was 28.0%. The major item giving rise to a difference between the statutory effective tax rate and the effective income tax rate after application of tax effect accounting is a 2.21% increase in valuation allowance.

The statutory effective tax rate in fiscal 2020 was 28.0%. The major item giving rise to a difference between the statutory effective tax rate and the effective income tax rate after application of tax effect accounting is a 2.17% increase in valuation allowance.

# Sony Life Financial Data (Non-consolidated)

## 1 Loans by Borrower Category

As of March 31,	Millions of yen, %	
	2019	2020
Bankrupt and quasi-bankrupt loans	0	2
Doubtful loans	—	—
Sub-standard loans	—	—
Subtotal	0	2
[Ratio to total]	[0.0]	[0.0]
Normal loans	461,094	413,529
Total	461,094	413,531

- Notes: 1. Bankrupt and quasi-bankrupt loans are loans to borrowers who are subject to bankruptcy, corporate reorganization, rehabilitation or other similar proceedings and other borrowers in serious financial difficulties.
2. Doubtful loans are loans to borrowers (other than bankrupt and quasi-bankrupt borrowers) with deteriorated financial condition and results of operations from which it is unlikely that the principal and interest on the loans will be recovered.
3. Sub-standard loans are loans on which principal and/or interest are past due for three months or more, as well as restructured loans. Note that loans past due for three months or more are loans on which principal and/or interest are past due for three months or more (excluding loans described in notes 1. and 2. above). Restructured loans are those for which terms and conditions have been amended in favor of the borrowers (e.g., reduction of the original interest rate, deferral of interest payments, extension of principal repayments or debt waiver) in order to support the borrowers' recovery from financial difficulties (excluding loans described in notes 1. and 2. above and loans on which principal and/or interest are past due for three months or more).
4. Normal loans are loans that do not fall under the classifications for notes 1. to 3. above and where the borrowers have no financial or business performance problems.

## 2 Risk-monitored Loans

As of March 31,	Millions of yen, %	
	2019	2020
Bankrupt loans	—	0
Non-accrual delinquent loans	0	2
Past-due loans (3 months or more)	—	—
Restructured loans	—	—
Total	0	2
[Ratio to loan balance]	[0.0]	[0.0]

- Notes: 1. Bankrupt loans include loans that have been in arrears on principal or interest payments for a considerably long period of time or loans (non-accrual loans) on which principal or interest payments are considered unlikely to occur in the future for other reasons and on which interest income is not recognized. These are the loans to borrowers who have been legally bankrupt due to the petition for proceedings under the Corporate Reorganization Act, the Civil Rehabilitation Act, the Bankruptcy Act, and the Companies Act; or the loans to borrowers who have notes suspended from being traded; or the loans to borrowers who have filed for legal proceedings similar to the aforementioned proceedings based on overseas laws.
2. Non-accrual delinquent loans are non-accrual loans other than bankrupt borrowers and loans on which interest payments are deferred in order to support the borrowers' recovery from financial difficulties.
3. Past-due loans (3 months or more) are loans on which the payments of principals or interests are past the due date for three months or more, and which are not classified to bankrupt loans or non-accrual delinquent loans.
4. Restructured loans are loans on which terms and conditions have been amended in favor of the borrowers (e.g., reduction of the original interest rate, deferral of interest payments, extension of principal repayments or debt waiver) in order to support the borrowers' recovery from financial difficulties, excluding bankrupt loans, non-accrual delinquent loans and past-due loans (3 months or more).

## 3 Accounting Indicators

### 3-01 Reserve for outstanding claims

As of March 31,	Millions of yen	
	2019	2020
Insurance claims		
Death benefits	8,262	9,732
Accidental benefits	282	224
Disability payments	1,182	1,352
Maturity benefits	1,419	1,431
Others	2,920	3,987
Subtotal	14,067	16,727
Annuity payments	674	309
Insurance benefits	9,924	10,405
Surrender payments	11,948	11,746
Deferred insurance payments	878	1,044
Total, including others	37,610	40,403

## ■ Sony Life Financial Data (Non-consolidated)

### 3-02 Policy reserves

As of March 31,	Millions of yen	
	2019	2020
Policy reserves (excluding contingency reserve)		
Individual life insurance	8,751,152	9,369,164
General accounts	7,693,808	8,311,204
Separate accounts	1,057,344	1,057,959
Individual annuities	409,931	475,577
General accounts	188,133	209,589
Separate accounts	221,798	265,988
Group life insurance	60	65
General accounts	60	65
Separate accounts	—	—
Group annuities	8,664	7,364
General accounts	8,664	7,364
Separate accounts	—	—
Others	—	—
General accounts	—	—
Separate accounts	—	—
Subtotal	9,169,808	9,852,172
General accounts	7,890,665	8,528,224
Separate accounts	1,279,143	1,323,948
Contingency reserve	98,613	107,659
Total	9,268,422	9,959,832
General accounts	7,989,279	8,635,883
Separate accounts	1,279,143	1,323,948

### 3-03 Breakdown of policy reserves

As of March 31,	Millions of yen	
	2019	2020
Premium reserve	8,925,064	9,581,172
Unearned premiums	244,744	271,000
Refund reserve	—	—
Contingency reserve	98,613	107,659
Total	9,268,422	9,959,832

### 3-04 Policy reserve calculation methods, ratios and balance involving individual life insurance and individual annuities by contract fiscal year

#### Policy reserve calculation methods and ratios

As of March 31,	2019	2020
Calculation method		
Policies subject to standard policy reserve method		
Pure death-protection insurance	Net level premium reserve method	Net level premium reserve method
Mixed insurance	Net level premium reserve method	Net level premium reserve method
Pure endowment insurance	Net level premium reserve method	Net level premium reserve method
Annuities	Net level premium reserve method	Net level premium reserve method
Policies not subject to standard policy reserve method		
Pure death-protection insurance	Net level premium reserve method	Net level premium reserve method
Mixed insurance	Net level premium reserve method	Net level premium reserve method
Pure endowment insurance	Net level premium reserve method	Net level premium reserve method
Annuities	Net level premium reserve method	Net level premium reserve method
Ratio of "amount of the company's policy reserves (excluding contingency reserve)" to "policy reserves required by regulatory standards"	100.1%	100.1%

Notes: 1. The calculation methods and ratios are set for individual life insurance and individual annuities. The concept of calculation method is not targeted at policy reserves for group life insurance and group annuities, so these insurance policies are not included.

2. The above ratios indicate the amounts of the company's policy reserves (excluding contingency reserve) to the required premium reserves and unearned premiums calculated by (a) the method laid down in the Ministry of Finance Public Notice No. 48 (1996) for policies to which the standard policy reserve method is applied, and (b) the net level premium reserve method for policies to which the standard policy reserve method is not applied.

The amounts of the company's policy reserves include policy reserves additionally reserved to maintain the future soundness of certain policies.

## Sony Life Financial Data (Non-consolidated)

### Balance of policy reserves by contract fiscal year

Fiscal year issued	Millions of yen, %	
	Balance of policy reserves	Assumed interest rate
Up to FY1980	—	—%
FY1981 to FY1985	34,269	6.00 - 6.25
FY1986 to FY1990	53,140	6.00 - 6.25
FY1991 to FY1995	598,632	2.75 - 6.25
FY1996 to FY2000	1,143,072	1.90 - 4.00
FY2001 to FY2005	1,393,511	1.50
FY2006 to FY2010	1,949,615	1.50
FY2011	469,665	1.50
FY2012	517,091	1.50
FY2013	462,495	1.00
FY2014	388,162	1.00
FY2015	370,213	1.00
FY2016	270,311	1.00
FY2017	262,268	0.25
FY2018	261,218	0.25
FY2019	347,126	0.25

Notes: 1. The balance of policy reserves shows the total of those for individual life insurance and individual annuities, excluding those of separate accounts and contingency reserves.

2. The assumed interest rate shows the assumed interest rate of the majority of policy reserves for each contract fiscal year.

### 3-05 Balance, calculation method and coefficient of policy reserves of general accounts related to policies with minimum guarantees whose insurance policies are invested in separate accounts

#### Balance of policy reserves (general account)

As of March 31,	Millions of yen	
	2019	2020
Balance of policy reserves (general account)	125,574	149,821

Notes: 1. Calculations employed in the above table apply to the insurance policies subject to the standard policy reserve method provided for under Article 68 of the Ordinance for Enforcement of the Insurance Business Act of Japan.

2. Each of the balances of policy reserves of the general accounts shows the total of premium reserve related to minimum guarantees and unearned premiums.

#### Calculation method and coefficient

	Contracts dated on or before January 1, 2019	Contracts dated on or after January 2, 2019
	Products	Variable life insurance (whole life type), variable life insurance (limited term type), variable life insurance (term type)
Calculation method	Standard policy reserve method stipulated in the Ministry of Finance Public Notice No. 48 (1996)	Alternative method (scenario testing method) stipulated in the Ministry of Finance Public Notice No. 48 (1996)
Coefficient	Rates stipulated in the Ministry of Finance Public Notice No. 48 (1996)	
Assumed mortality rate, discount rate, expected returns, volatility		
Assumed surrender rates	During the payment of insurance premiums: annual rate of 5.0% Other than the above: annual rate of 3.0%	Annual rate of 0.3% - 9.7% depending on products, years elapsed, etc.

### 3-06 Reserve for policyholders' dividends

	Millions of yen						
	2019						
For the year ended March 31,	Individual life insurance	Individual annuities	Group life insurance	Group annuities	Asset-formation insurance, asset-formation annuities	Others	Total
At the beginning of the period	1,877	305	3,296	4	—	—	5,484
Increase due to interest	0	0	—	—	—	—	0
Decrease due to dividend payment	155	25	2,901	4	—	—	3,086
Provision for the period	87	15	2,041	1	—	—	2,146
At the end of the period	1,810	295	2,436	1	—	—	4,544
	[1,432]	[176]	[0]	[—]	[—]	[—]	[1,609]

## ■ Sony Life Financial Data (Non-consolidated)

Millions of yen

For the year ended March 31,	2020						Total
	Individual life insurance	Individual annuities	Group life insurance	Group annuities	Asset-formation insurance, asset-formation annuities	Others	
At the beginning of the period	1,810	295	2,436	1	—	—	4,544
Increase due to interest	0	0	—	—	—	—	0
Decrease due to dividend payment	180	23	2,352	1	—	—	2,558
Provision for the period	84	17	2,317	3	—	—	2,422
At the end of the period	1,714	289	2,401	3	—	—	4,407
	[1,443]	[197]	[0]	[—]	[—]	[—]	[1,641]

Note: Figures in [ ] are accumulated dividends.

### 3-07 Other reserves

Millions of yen

For the years ended March 31,	2019			2020		
	Balance at the beginning of the period	Balance at the end of the period	Increase (decrease)	Balance at the beginning of the period	Balance at the end of the period	Increase (decrease)
Reserve for possible loan losses						
General reserve for possible loan losses	0	2	2	2	0	(2)
Specific reserve for possible loan losses	294	620	326	620	652	31
Reserve for possible loan losses for specific foreign countries	—	—	—	—	—	—
Reserve for investment losses	—	3,650	3,650	3,650	3,899	249
Reserve for employees' retirement benefits	26,656	28,002	1,346	28,002	29,528	1,525
Reserve for directors' retirement benefits	—	—	—	—	—	—
Reserve for price fluctuations	47,929	50,105	2,175	50,105	52,768	2,663

### 3-08 Insurance premiums

Millions of yen

For the years ended March 31,	2019	2020
Individual life insurance	1,058,984	1,225,810
Single premium	102,191	211,675
Annual payment	278,229	314,564
Semi-annual payment	11,363	11,602
Monthly payment	667,199	687,968
Individual annuities	67,501	96,671
Single premium	30,683	47,725
Annual payment	5,492	5,881
Semi-annual payment	412	481
Monthly payment	30,912	42,582
Group life insurance	6,191	5,325
Group annuities	55	50
Total, including others	1,132,732	1,327,857

### 3-09 Insurance claims

Millions of yen

For the years ended March 31,	Total	2020						Total
		Individual life insurance	Individual annuities	Group life insurance	Group annuities	Asset-formation insurance, asset-formation annuities	Others	
Death benefits	52,685	53,786	—	1,369	—	—	—	55,155
Accidental benefits	621	545	—	—	—	—	—	545
Disability payments	2,855	2,601	—	189	—	—	—	2,791
Maturity benefits	22,781	22,885	—	—	—	—	—	22,885
Others	14,053	16,954	—	201	—	—	—	17,155
Total	92,997	96,772	—	1,760	—	—	—	98,533

## ■ Sony Life Financial Data (Non-consolidated)

### 3-10 Annuity payments

		Millions of yen						
		2019		2020				
For the years ended March 31,	Total	Individual life insurance	Individual annuities	Group life insurance	Group annuities	Asset-formation insurance, asset-formation annuities	Others	Total
Annuity payments	13,489	—	13,395	0	1,248	—	—	14,644

### 3-11 Insurance benefits

		Millions of yen						
		2019		2020				
For the years ended March 31,	Total	Individual life insurance	Individual annuities	Group life insurance	Group annuities	Asset-formation insurance, asset-formation annuities	Others	Total
Death benefits	2,942	3,037	67	—	—	—	—	3,104
Hospitalization benefits	9,793	9,883	—	1	—	—	—	9,885
Surgery benefits	10,730	11,588	—	—	—	—	—	11,588
Disability benefits	149	137	—	—	—	—	—	137
Living benefits	96,034	117,845	—	—	—	—	—	117,845
Others	12,174	12,416	720	—	185	—	—	13,321
Total	131,824	154,908	787	1	185	—	—	155,883

### 3-12 Surrender payments

		Millions of yen						
		2019		2020				
For the years ended March 31,	Total	Individual life insurance	Individual annuities	Group life insurance	Group annuities	Asset-formation insurance, asset-formation annuities	Others	Total
Surrender payments	204,351	214,774	13,764	—	—	—	—	228,538

### 3-13 Depreciation and amortization

		Millions of yen, %									
		2019					2020				
For the years ended March 31,	Acquisition cost	Depreciation expenses	Accumulated depreciation	Balance at the end of the period	Ratio of depreciation	Acquisition cost	Depreciation expenses	Accumulated depreciation	Balance at the end of the period	Ratio of depreciation	
Tangible fixed assets	9,392	562	3,570	5,821	38.0%	10,433	601	4,099	6,334	39.3%	
Buildings	7,612	390	2,508	5,103	33.0	8,599	421	2,897	5,701	33.7	
Leased assets	21	4	0	20	2.4	26	6	6	19	25.3	
Other tangible fixed assets	1,759	166	1,061	697	60.4	1,807	174	1,194	612	66.1	
Intangible fixed assets	63,864	5,682	37,512	26,352	58.7	73,033	6,903	44,404	28,629	60.8	
Others	15	3	13	2	84.2	15	1	13	2	85.9	
Total	73,273	6,248	41,096	32,176	56.1	83,482	7,506	48,517	34,965	58.1	

### 3-14 Operating expenses

		Millions of yen	
		2019	2020
For the years ended March 31,			
Sales and marketing expenses		68,562	73,115
Sales administrative expenses		19,024	19,594
General administrative expenses		59,397	63,744
Total		146,984	156,454

Note: Contribution to the Life Insurance Policyholders Protection Corporation of Japan prescribed by Article 259 of the Insurance Business Act of Japan is as follows:

		Millions of yen	
		2019	2020
For the years ended March 31,			
Life Insurance Policyholders Protection Corporation of Japan		787	794

## ■ Sony Life Financial Data (Non-consolidated)

### 4 Reconciliation to Core Profit and Non-consolidated Ordinary Profit

		Millions of yen	
For the years ended March 31,		2019	2020
Core profit	(A)	97,242	96,168
Capital gains		19,562	14,507
Income from money held in trust, net		—	—
Gains on trading securities, net		—	149
Gains on sale of securities		6,107	3,637
Gains on derivatives, net		—	4,098
Foreign exchange gains, net		13,455	—
Other capital gains		—	6,622
Capital losses		27,847	12,745
Losses on money held in trust, net		—	—
Losses on trading securities, net		144	—
Losses on sale of securities		34	50
Losses on valuation of securities		4,026	6,316
Losses on derivatives, net		13,925	—
Foreign exchange losses, net		—	6,345
Other capital losses		9,716	32
Net capital gains (losses)	(B)	(8,284)	1,762
Core profit plus net capital gains (losses)	(A) + (B)	88,957	97,930
Other one-time gains		—	—
Gains from reinsurance		—	—
Reversal of contingency reserve		—	—
Reversal of specific reserve for possible loan losses		—	—
Others		—	—
Other one-time losses		9,145	9,210
Losses from reinsurance		—	—
Provision for contingency reserve		8,698	9,045
Provision for specific reserve for possible loan losses		326	46
Provision for reserve for possible loan losses for specific foreign countries		—	—
Write-off of loans		—	—
Others		119	118
Net other one-time gains (losses)	(C)	(9,145)	(9,210)
Ordinary profit	(A) + (B) + (C)	79,812	88,720

#### Reference: The breakdown of others

		Millions of yen	
For the years ended March 31,		2019	2020
Core profit		14,224	(2,602)
Income gains in income from money held in trust		4,490	4,013
Interest income and dividends in income from trading securities		17	7
Effect of change in the exchange rates related to foreign currency-denominated insurance contracts		9,716	(6,622)
Other capital gains		—	6,622
Effect of change in the exchange rates related to foreign currency-denominated insurance contracts		—	6,622
Other capital losses		9,716	32
Impairment losses from investment partnerships		—	32
Effect of change in the exchange rates related to foreign currency-denominated insurance contracts		9,716	—
Other one-time gains		—	—
Other one-time losses		119	118
Provision for additional policy reserve		119	118

## ■ Sony Life Financial Data (Non-consolidated)

### Reference: Reconciliation to core profit

For the years ended March 31,	Millions of yen	
	2019	2020
<b>Core Revenues</b>	1,454,390	<b>1,572,234</b>
Income from insurance premiums	1,136,104	<b>1,330,860</b>
Insurance premiums	1,132,732	<b>1,327,857</b>
Ceded reinsurance commissions	3,372	<b>3,003</b>
Investment income	254,882	<b>181,815</b>
Interest income and dividends	166,937	<b>181,811</b>
Gains on redemption of securities	—	—
Reversal of general reserve for possible loan losses	—	<b>2</b>
Other investment income	—	<b>1</b>
Gains on separate accounts, net	87,944	—
Other ordinary income	49,178	<b>55,537</b>
Income for annuity riders	4,027	<b>4,893</b>
Proceeds from deferred insurance	43,046	<b>48,707</b>
Reversal of reserve for outstanding claims	—	—
Others	2,104	<b>1,936</b>
Other core revenues	14,224	<b>4,020</b>
<b>Core Expenses</b>	1,357,147	<b>1,476,066</b>
Insurance claims and other payments	457,252	<b>511,945</b>
Insurance claims	92,997	<b>98,533</b>
Annuity payments	13,489	<b>14,644</b>
Insurance benefits	131,824	<b>155,883</b>
Surrender payments	204,351	<b>228,538</b>
Refund to policyholders	3,659	<b>3,722</b>
Reinsurance premiums	10,929	<b>10,622</b>
Provision for policy reserves and others	695,962	<b>685,039</b>
Investment expenses	6,198	<b>55,338</b>
Interest expenses	1,604	<b>5,059</b>
Losses on redemption of securities	—	—
Provision for general reserve for possible loan losses	2	—
Depreciation of real estate for rent and others	1,599	<b>1,637</b>
Other investment expenses	2,992	<b>2,650</b>
Losses on separate accounts, net	—	<b>45,990</b>
Operating expenses	146,984	<b>156,454</b>
Other ordinary expenses	50,750	<b>60,666</b>
Deferred insurance payments	28,655	<b>34,795</b>
Taxes	13,419	<b>16,011</b>
Depreciation and amortization	6,248	<b>7,506</b>
Provision for reserve for employees' retirement benefits	2,402	<b>2,346</b>
Others	25	<b>7</b>
Other core expenses	—	<b>6,622</b>
<b>Core Profit</b>	97,242	<b>96,168</b>

### Reference: Positive spread and yields

For the years ended March 31,	Billions of yen, %	
	2019	2020
<b>Positive spread</b>	18.2	<b>19.3</b>
Investment yield for core profit	2.19%	<b>2.17%</b>
Investment yield (general account)	1.94%	<b>1.85%</b>
Average assumed interest rate	1.94%	<b>1.93%</b>

## Sony Life Financial Data (Non-consolidated)

### 5 Fair Value Information on Securities (General Account)

#### 5-01 Fair value information on securities

##### Valuation gains (losses) on trading securities

	Millions of yen			
	2019		2020	
As of March 31,	Balance sheet amount	Net valuation gains (losses) recorded in income	Balance sheet amount	Net valuation gains (losses) recorded in income
Trading securities	1,321	(160)	—	160

#### Fair value information on securities

##### a. Securities with fair value (except trading securities)

	Millions of yen				
	2019				
As of March 31,	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Held-to-maturity securities	6,770,008	8,800,847	2,030,838	2,051,389	20,551
Policy-reserve-matching bonds	680,757	764,282	83,525	83,733	208
Stocks of subsidiaries and affiliated companies	—	—	—	—	—
Available-for-sale securities	964,854	1,132,524	167,670	169,810	2,140
Japanese bonds	867,645	1,024,732	157,086	157,086	—
Japanese stocks	9,685	19,143	9,458	9,555	96
Foreign securities	87,357	88,341	984	3,027	2,043
Bonds	79,568	81,811	2,243	3,027	784
Stocks, etc.	7,788	6,529	(1,259)	—	1,259
Other securities	165	307	141	141	—
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—
Total	8,415,620	10,697,654	2,282,034	2,304,933	22,899
Japanese bonds	7,858,097	10,129,659	2,271,562	2,277,594	6,032
Japanese stocks	9,685	19,143	9,458	9,555	96
Foreign securities	547,671	548,543	872	17,642	16,770
Bonds	539,883	542,014	2,131	17,642	15,511
Stocks, etc.	7,788	6,529	(1,259)	—	1,259
Other securities	165	307	141	141	—
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—

Notes: 1. The above table includes assets that are permitted to be treated as equivalent to securities defined in the Financial Instruments and Exchange Act of Japan.

2. Carrying amount and net unrealized gains (losses) on money held in trust, including items other than trading securities, amounted to ¥232,566 million and ¥37,275 million, as of March 31, 2019, respectively.

## ■ Sony Life Financial Data (Non-consolidated)

Millions of yen

As of March 31,	2020				
	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Held-to-maturity securities	7,349,139	9,768,470	2,419,331	2,425,393	6,061
Policy-reserve-matching bonds	855,937	997,896	141,958	142,397	438
Stocks of subsidiaries and affiliated companies	—	—	—	—	—
Available-for-sale securities	967,259	1,137,460	170,201	170,267	66
Japanese bonds	873,327	1,007,815	134,487	134,515	28
Japanese stocks	4,825	9,587	4,762	4,800	37
Foreign securities	89,106	120,057	30,950	30,950	—
Bonds	87,634	118,584	30,950	30,950	—
Stocks, etc.	1,472	1,472	—	—	—
Other securities	—	—	—	—	—
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—
Total	9,172,336	11,903,828	2,731,491	2,738,058	6,566
Japanese bonds	8,230,025	10,590,705	2,360,679	2,367,208	6,528
Japanese stocks	4,825	9,587	4,762	4,800	37
Foreign securities	937,485	1,303,535	366,049	366,049	—
Bonds	936,013	1,302,062	366,049	366,049	—
Stocks, etc.	1,472	1,472	—	—	—
Other securities	—	—	—	—	—
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—

Note: The above table includes assets that are permitted to be treated as equivalent to securities defined in the Financial Instruments and Exchange Act of Japan.

### b. Carrying amounts of securities for which fair value cannot be measured reliably

Millions of yen

As of March 31,	2019	2020
Held-to-maturity securities	—	—
Unlisted foreign bonds	—	—
Others	—	—
Policy-reserve-matching bonds	—	—
Stocks of subsidiaries and affiliated companies	16,276	39,682
Available-for-sale securities	5,445	4,620
Unlisted Japanese stocks (except OTC stocks)	159	159
Unlisted foreign stocks (except OTC stocks)	355	243
Unlisted foreign bonds	—	—
Others	4,929	4,216
Total	21,721	44,302

## ■ Sony Life Financial Data (Non-consolidated)

c. Fair value information consisting of those stated in the previous Table a. and Table b. after evaluating foreign exchange and other gains (losses)

As of March 31,	2019				
	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Held-to-maturity securities	6,770,008	8,800,847	2,030,838	2,051,389	20,551
Policy-reserve-matching bonds	680,757	764,282	83,525	83,733	208
Stocks of subsidiaries and affiliated companies	16,276	16,280	4	4	—
Available-for-sale securities	970,299	1,141,169	170,869	173,361	2,491
Japanese bonds	867,645	1,024,732	157,086	157,086	—
Japanese stocks	9,845	19,303	9,458	9,555	96
Foreign securities	87,712	89,867	2,154	4,198	2,043
Bonds	79,568	81,811	2,243	3,027	784
Stocks, etc.	8,144	8,055	(88)	1,170	1,259
Other securities	5,095	7,265	2,170	2,521	351
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—
<b>Total</b>	<b>8,437,341</b>	<b>10,722,579</b>	<b>2,285,238</b>	<b>2,308,489</b>	<b>23,251</b>
Japanese bonds	7,858,097	10,129,659	2,271,562	2,277,594	6,032
Japanese stocks	17,832	27,290	9,458	9,555	96
Foreign securities	556,316	558,364	2,047	18,817	16,770
Bonds	539,883	542,014	2,131	17,642	15,511
Stocks, etc.	16,433	16,349	(84)	1,175	1,259
Other securities	5,095	7,265	2,170	2,521	351
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—

As of March 31,	2020				
	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Held-to-maturity securities	7,349,139	9,768,470	2,419,331	2,425,393	6,061
Policy-reserve-matching bonds	855,937	997,896	141,958	142,397	438
Stocks of subsidiaries and affiliated companies	39,682	39,661	(21)	—	21
Available-for-sale securities	971,879	1,143,849	171,970	172,626	656
Japanese bonds	873,327	1,007,815	134,487	134,515	28
Japanese stocks	4,985	9,747	4,762	4,800	37
Foreign securities	89,349	121,356	32,006	32,006	—
Bonds	87,634	118,584	30,950	30,950	—
Stocks, etc.	1,715	2,771	1,056	1,056	—
Other securities	4,216	4,929	712	1,303	590
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—
<b>Total</b>	<b>9,216,639</b>	<b>11,949,878</b>	<b>2,733,239</b>	<b>2,740,417</b>	<b>7,177</b>
Japanese bonds	8,230,025	10,590,705	2,360,679	2,367,208	6,528
Japanese stocks	23,301	28,064	4,762	4,800	37
Foreign securities	959,095	1,326,179	367,084	367,105	21
Bonds	936,013	1,302,062	366,049	366,049	—
Stocks, etc.	23,081	24,116	1,034	1,056	21
Other securities	4,216	4,929	712	1,303	590
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—

## Sony Life Financial Data (Non-consolidated)

### 5-02 Fair value information on money held in trust (general account)

Millions of yen

	2019					2020				
	Balance sheet amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses	Balance sheet amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
As of March 31,										
Money held in trust	269,387	269,387	—	—	—	40	40	—	—	—

Note: The amount of jointly invested monetary trusts that is included in the table above is ¥40 million as of March 31, 2019 and 2020, respectively.

#### Money held in trust for investment

Not applicable

#### Money held in trust for held-to-maturity, policy-reserve-matching and other

Millions of yen

	2019					2020				
	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
As of March 31,										
Money held in trust for held-to-maturity	—	—	—	—	—	—	—	—	—	—
Money held in trust for policy-reserve-matching	—	—	—	—	—	—	—	—	—	—
Other money held in trust	232,071	269,346	37,275	37,275	—	—	—	—	—	—

### 5-03 Fair value information on derivative transactions (general account) (total of derivatives to which hedge accounting is applied and derivatives to which hedge accounting is not applied)

1. Breakdown of valuation gains (losses) (Derivatives to which hedge accounting is applied and derivatives to which hedge accounting is not applied)

Millions of yen

	2019						2020					
	Interest rate-related	Currency-related	Stock-related	Bond-related	Others	Total	Interest rate-related	Currency-related	Stock-related	Bond-related	Others	Total
As of March 31,												
Hedge accounting is applied	—	—	—	—	—	—	—	—	—	—	—	—
Hedge accounting is not applied	—	(409)	(7,331)	—	—	(7,741)	—	215	17,346	—	—	17,561
Total	—	(409)	(7,331)	—	—	(7,741)	—	215	17,346	—	—	17,561

Note: Valuation gains (losses) on derivatives to which hedge accounting is not applied are recorded in the statements of income.

## ■ Sony Life Financial Data (Non-consolidated)

### 2. Interest rate derivatives

Not applicable

### 3. Currency derivatives

Millions of yen

As of March 31,	2019				2020			
	Notional amount total	Over 1 year	Fair value	Valuation gains (losses)	Notional amount total	Over 1 year	Fair value	Valuation gains (losses)
Over-the-counter transactions								
Forward foreign exchanges								
Sold	21,154	—	(409)	(409)	11,809	—	215	215
U.S. dollars	12,740	—	(354)	(354)	3,262	—	(2)	(2)
Euro	8,413	—	(54)	(54)	8,547	—	217	217
Total				(409)				215

Notes: 1. The fair value of forward foreign exchanges is calculated using the discounted present value based on the fiscal year-end interest rate.

2. "Valuation gains (losses)" are stated at fair value.

### 4. Stock derivatives

Millions of yen

As of March 31,	2019				2020			
	Notional amount total	Over 1 year	Fair value	Valuation gains (losses)	Notional amount total	Over 1 year	Fair value	Valuation gains (losses)
Listed								
Stock index futures								
Sold	58,724	—	308	308	39,525	—	(934)	(934)
Over-the-counter transactions								
Total return swap								
Sold	63,107	—	(7,640)	(7,640)	103,408	—	18,280	18,280
Total				(7,331)				17,346

Notes: 1. Fair value of stock index futures is the closing price on the Exchange at the end of the fiscal year.

2. Fair value of total return swap is calculated using the stock price, etc. at the end of the fiscal year.

3. "Valuation gains (losses)" are stated at fair value.

### 5. Bond derivatives

Not applicable

### 6. Others

Not applicable

## Sony Life Financial Data (Non-consolidated)

### 6 Fair Value Information on Securities (Company Total)

#### 6-01 Fair value information on securities

##### Valuation gains (losses) on trading securities

	Millions of yen			
	2019		2020	
As of March 31,	Balance sheet amount	Net valuation gains (losses) recorded in income	Balance sheet amount	Net valuation gains (losses) recorded in income
Trading securities	1,185,507	30,070	1,241,363	(108,018)

##### Fair value information on securities

##### a. Securities with fair value (except trading securities)

	Millions of yen				
	2019				
As of March 31,	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Held-to-maturity securities	6,770,008	8,800,847	2,030,838	2,051,389	20,551
Policy-reserve-matching bonds	680,757	764,282	83,525	83,733	208
Stocks of subsidiaries and affiliated companies	—	—	—	—	—
Available-for-sale securities	964,854	1,132,524	167,670	169,810	2,140
Japanese bonds	867,645	1,024,732	157,086	157,086	—
Japanese stocks	9,685	19,143	9,458	9,555	96
Foreign securities	87,357	88,341	984	3,027	2,043
Bonds	79,568	81,811	2,243	3,027	784
Stocks, etc.	7,788	6,529	(1,259)	—	1,259
Other securities	165	307	141	141	—
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—
Total	8,415,620	10,697,654	2,282,034	2,304,933	22,899
Japanese bonds	7,858,097	10,129,659	2,271,562	2,277,594	6,032
Japanese stocks	9,685	19,143	9,458	9,555	96
Foreign securities	547,671	548,543	872	17,642	16,770
Bonds	539,883	542,014	2,131	17,642	15,511
Stocks, etc.	7,788	6,529	(1,259)	—	1,259
Other securities	165	307	141	141	—
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—

Notes: 1. The above table includes assets that are permitted to be treated as equivalent to securities defined in the Financial Instruments and Exchange Act of Japan.

2. Carrying amount and net unrealized gains (losses) on money held in trust, including items other than trading securities, amounted to ¥232,566 million and ¥37,275 million, as of March 31, 2019, respectively.

## ■ Sony Life Financial Data (Non-consolidated)

Fair value information on securities (continued)

	Millions of yen				
	2020				
As of March 31,	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Held-to-maturity securities	7,349,139	9,768,470	2,419,331	2,425,393	6,061
Policy-reserve-matching bonds	855,937	997,896	141,958	142,397	438
Stocks of subsidiaries and affiliated companies	—	—	—	—	—
Available-for-sale securities	967,259	1,137,460	170,201	170,267	66
Japanese bonds	873,327	1,007,815	134,487	134,515	28
Japanese stocks	4,825	9,587	4,762	4,800	37
Foreign securities	89,106	120,057	30,950	30,950	—
Bonds	87,634	118,584	30,950	30,950	—
Stocks, etc.	1,472	1,472	—	—	—
Other securities	—	—	—	—	—
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—
<b>Total</b>	<b>9,172,336</b>	<b>11,903,828</b>	<b>2,731,491</b>	<b>2,738,058</b>	<b>6,566</b>
Japanese bonds	8,230,025	10,590,705	2,360,679	2,367,208	6,528
Japanese stocks	4,825	9,587	4,762	4,800	37
Foreign securities	937,485	1,303,535	366,049	366,049	—
Bonds	936,013	1,302,062	366,049	366,049	—
Stocks, etc.	1,472	1,472	—	—	—
Other securities	—	—	—	—	—
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—

Note: The above table includes assets that are permitted to be treated as equivalent to securities defined in the Financial Instruments and Exchange Act of Japan.

○ Held-to-maturity securities

	Millions of yen					
	2019			2020		
As of March 31,	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Fair value exceeding balance sheet amount	6,477,032	8,528,421	2,051,389	7,110,414	9,535,807	2,425,393
Japanese bonds	6,270,702	8,311,604	2,040,902	6,371,113	8,509,573	2,138,459
Foreign securities	206,330	216,817	10,487	739,300	1,026,234	286,933
Other securities	—	—	—	—	—	—
Fair value not exceeding balance sheet amount	292,976	272,425	(20,551)	238,724	232,663	(6,061)
Japanese bonds	103,822	97,983	(5,839)	238,724	232,663	(6,061)
Foreign securities	189,153	174,441	(14,711)	—	—	—
Others	—	—	—	—	—	—

## ■ Sony Life Financial Data (Non-consolidated)

### ○ Policy-reserve-matching bonds

As of March 31,	Millions of yen					
	2019			2020		
	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Fair value exceeding balance sheet amount	662,919	746,652	83,733	<b>827,801</b>	<b>970,198</b>	<b>142,397</b>
Japanese bonds	600,839	680,444	79,605	<b>718,722</b>	<b>812,955</b>	<b>94,232</b>
Foreign securities	62,079	66,207	4,128	<b>109,078</b>	<b>157,243</b>	<b>48,165</b>
Other securities	—	—	—	—	—	—
Fair value not exceeding balance sheet amount	17,838	17,629	(208)	<b>28,136</b>	<b>27,697</b>	<b>(438)</b>
Japanese bonds	15,087	14,894	(192)	<b>28,136</b>	<b>27,697</b>	<b>(438)</b>
Foreign securities	2,751	2,735	(15)	—	—	—
Other securities	—	—	—	—	—	—

### ○ Available-for-sale securities

As of March 31,	Millions of yen					
	2019			2020		
	Carrying amount	Balance sheet amount	Difference	Carrying amount	Balance sheet amount	Difference
Balance sheet amount exceeding carrying amount	930,381	1,100,192	169,810	<b>961,134</b>	<b>1,131,401</b>	<b>170,267</b>
Japanese bonds	867,645	1,024,732	157,086	<b>869,036</b>	<b>1,003,552</b>	<b>134,515</b>
Japanese stocks	8,777	18,332	9,555	<b>4,463</b>	<b>9,264</b>	<b>4,800</b>
Foreign securities	53,793	56,820	3,027	<b>87,634</b>	<b>118,584</b>	<b>30,950</b>
Other securities	165	307	141	—	—	—
Monetary claims purchased	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—
Others	—	—	—	—	—	—
Balance sheet amount not exceeding carrying amount	34,472	32,332	(2,140)	<b>6,125</b>	<b>6,059</b>	<b>(66)</b>
Japanese bonds	—	—	—	<b>4,291</b>	<b>4,263</b>	<b>(28)</b>
Japanese stocks	908	811	(96)	<b>361</b>	<b>323</b>	<b>(37)</b>
Foreign securities	33,563	31,520	(2,043)	<b>1,472</b>	<b>1,472</b>	—
Other securities	—	—	—	—	—	—
Monetary claims purchased	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—
Others	—	—	—	—	—	—

### b. Carrying amounts of securities for which fair value cannot be measured reliably

As of March 31,	Millions of yen	
	2019	2020
Held-to-maturity securities	—	—
Unlisted foreign bonds	—	—
Others	—	—
Policy-reserve-matching bonds	—	—
Stocks of subsidiaries and affiliated companies	16,276	<b>39,682</b>
Available-for-sale securities	5,445	<b>4,620</b>
Unlisted Japanese stocks (except OTC stocks)	159	<b>159</b>
Unlisted foreign stocks (except OTC stocks)	355	<b>243</b>
Unlisted foreign bonds	—	—
Others	4,929	<b>4,216</b>
Total	21,721	<b>44,302</b>

## ■ Sony Life Financial Data (Non-consolidated)

c. Fair value information consisting of those stated in the previous Table a. and Table b. after evaluating foreign exchange and other gains (losses)

As of March 31,	2019				
	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Held-to-maturity securities	6,770,008	8,800,847	2,030,838	2,051,389	20,551
Policy-reserve-matching bonds	680,757	764,282	83,525	83,733	208
Stocks of subsidiaries and affiliated companies	16,276	16,280	4	4	—
Available-for-sale securities	970,299	1,141,169	170,869	173,361	2,491
Japanese bonds	867,645	1,024,732	157,086	157,086	—
Japanese stocks	9,845	19,303	9,458	9,555	96
Foreign securities	87,712	89,867	2,154	4,198	2,043
Bonds	79,568	81,811	2,243	3,027	784
Stocks, etc.	8,144	8,055	(88)	1,170	1,259
Other securities	5,095	7,265	2,170	2,521	351
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—
<b>Total</b>	<b>8,437,341</b>	<b>10,722,579</b>	<b>2,285,238</b>	<b>2,308,489</b>	<b>23,251</b>
Japanese bonds	7,858,097	10,129,659	2,271,562	2,277,594	6,032
Japanese stocks	17,832	27,290	9,458	9,555	96
Foreign securities	556,316	558,364	2,047	18,817	16,770
Bonds	539,883	542,014	2,131	17,642	15,511
Stocks, etc.	16,433	16,349	(84)	1,175	1,259
Other securities	5,095	7,265	2,170	2,521	351
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—

As of March 31,	2020				
	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses
Held-to-maturity securities	7,349,139	9,768,470	2,419,331	2,425,393	6,061
Policy-reserve-matching bonds	855,937	997,896	141,958	142,397	438
Stocks of subsidiaries and affiliated companies	39,682	39,661	(21)	—	21
Available-for-sale securities	971,879	1,143,849	171,970	172,626	656
Japanese bonds	873,327	1,007,815	134,487	134,515	28
Japanese stocks	4,985	9,747	4,762	4,800	37
Foreign securities	89,349	121,356	32,006	32,006	—
Bonds	87,634	118,584	30,950	30,950	—
Stocks, etc.	1,715	2,771	1,056	1,056	—
Other securities	4,216	4,929	712	1,303	590
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—
<b>Total</b>	<b>9,216,639</b>	<b>11,949,878</b>	<b>2,733,239</b>	<b>2,740,417</b>	<b>7,177</b>
Japanese bonds	8,230,025	10,590,705	2,360,679	2,367,208	6,528
Japanese stocks	23,301	28,064	4,762	4,800	37
Foreign securities	959,095	1,326,179	367,084	367,105	21
Bonds	936,013	1,302,062	366,049	366,049	—
Stocks, etc.	23,081	24,116	1,034	1,056	21
Other securities	4,216	4,929	712	1,303	590
Monetary claims purchased	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Others	—	—	—	—	—

## Sony Life Financial Data (Non-consolidated)

### 6-02 Fair value information on money held in trust (company total)

As of March 31,	2019					2020					Millions of yen
	Balance sheet amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses	Balance sheet amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses	
Money held in trust	269,387	269,387	—	—	—	40	40	—	—	—	

Note: The amount of jointly invested monetary trusts that is included in the table above is ¥40 million as of March 31, 2019 and 2020, respectively.

#### Money held in trust for investment

Not applicable

#### Money held in trust for held-to-maturity, policy-reserve-matching and other

As of March 31,	2019					2020					Millions of yen
	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses	Carrying amount	Fair value	Net unrealized gains (losses)	Unrealized gains	Unrealized losses	
Money held in trust for held-to-maturity	—	—	—	—	—	—	—	—	—	—	
Money held in trust for policy-reserve-matching	—	—	—	—	—	—	—	—	—	—	
Other money held in trust	232,071	269,346	37,275	37,275	—	—	—	—	—	—	

### 6-03 Fair value information on derivative transactions (company total)

#### Qualitative Information

##### 1. Transaction details

The main derivative transactions used by Sony Life are as follows:

- Currency-related: Forward foreign exchange transactions
- Stock-related: Stock index futures trading, total return swap trading

##### 2. Purpose of use and policy on derivative transactions

Sony Life's policy is to conduct derivative transactions to reduce risks related to its holdings of assets and liabilities, and does not engage in speculative derivative transactions.

- Currency-related: The purpose is to hedge foreign currency-related risk related to its holdings of assets and the minimum guaranteed for individual variable life insurance.
- Stock-related: The purpose is to hedge stock-related risk related to its holdings of assets and the minimum guaranteed for individual variable life insurance.

##### 3. Risk details

The risk of fluctuations in market value (currency-related risk and stock-related risk) is inherent to derivative transactions employed by Sony Life. However, as these transactions are conducted primarily to reduce risk related to its holdings of assets and liabilities, the total risk related to derivative transactions and their underlying assets and liabilities is limited. Credit risk is inherent to derivative instruments, but when conducting transactions, Sony Life selects parties that it believes pose little risk of default.

##### 4. Risk management systems

Sony Life's balance of derivative transactions is within the limits that Sony Life has set in-house.

On transactions conducted by the division in charge of investment, the administrative division receives reports directly from the transaction counterparty. This system enables the administrative division and the investment division to independently determine derivative positions and transaction profits and losses. In addition, the management of risks related to derivative transactions is conducted strictly by the department in charge of supervision. Also, the risk management division regularly reports the overall risk status to Sony Life's Board of Directors and Executive Committee.

##### 5. Supplemental information regarding quantitative information

Sony Life does not employ hedge accounting for derivative transactions.

#### Quantitative Information

##### 1. Breakdown of valuation gains (losses) (Derivatives to which hedge accounting is applied and derivatives to which hedge accounting is not applied)

As of March 31,	2019						2020						Millions of yen
	Interest rate-related	Currency-related	Stock-related	Bond-related	Others	Total	Interest rate-related	Currency-related	Stock-related	Bond-related	Others	Total	
Hedge accounting is applied	—	—	—	—	—	—	—	—	—	—	—	—	
Hedge accounting is not applied	—	(409)	(7,331)	—	—	(7,741)	—	215	17,346	—	—	17,561	
Total	—	(409)	(7,331)	—	—	(7,741)	—	215	17,346	—	—	17,561	

Note: Valuation gains (losses) on derivatives to which hedge accounting is not applied are recorded in the statements of income.

## ■ Sony Life Financial Data (Non-consolidated)

### 2. Derivatives to which hedge accounting is not applied

① Interest rate derivatives  
Not applicable

② Currency derivatives

	2019				2020				Millions of yen
	Notional amount total	Over 1 year	Fair value	Valuation gains (losses)	Notional amount total	Over 1 year	Fair value	Valuation gains (losses)	
As of March 31,									
Over-the-counter transactions									
Forward foreign exchanges									
Sold	21,154	—	(409)	(409)	11,809	—	215	215	
U.S. dollars	12,740	—	(354)	(354)	3,262	—	(2)	(2)	
Euro	8,413	—	(54)	(54)	8,547	—	217	217	
Total				(409)				215	

Notes: 1. The fair value of forward foreign exchanges is calculated using the discounted present value based on the fiscal year-end interest rate.

2. "Valuation gains (losses)" are stated at fair value.

③ Stock derivatives

	2019				2020				Millions of yen
	Notional amount total	Over 1 year	Fair value	Valuation gains (losses)	Notional amount total	Over 1 year	Fair value	Valuation gains (losses)	
As of March 31,									
Listed									
Stock index futures									
Sold	58,724	—	308	308	39,525	—	(934)	(934)	
Over-the-counter transactions									
Total return swap									
Sold	63,107	—	(7,640)	(7,640)	103,408	—	18,280	18,280	
Total				(7,331)				17,346	

Notes: 1. Fair value of stock index futures is the closing price on the Exchange at the end of the fiscal year.

2. Fair value of total return swap is calculated using the stock price, etc. at the end of the fiscal year.

3. "Valuation gains (losses)" are stated at fair value.

④ Bond derivatives  
Not applicable

⑤ Others  
Not applicable

### 3. Derivatives to which hedge accounting is applied

① Interest rate derivatives  
Not applicable

② Currency derivatives  
Not applicable

③ Equity derivatives  
Not applicable

④ Bond derivatives  
Not applicable

⑤ Others  
Not applicable

# Financial Data (Consolidated)

## Consolidated Balance Sheet

Sony Life Insurance Co., Ltd. and consolidated subsidiaries  
As of March 31,

Millions of yen

	2020
	Amount
<b>Assets:</b>	
Cash and deposits	224,211
Money held in trust	14,960
Securities	11,055,749
Loans	208,632
Tangible fixed assets	93,619
Land	64,715
Buildings	27,843
Leased assets	408
Other tangible fixed assets	651
Intangible fixed assets	32,208
Software	28,629
Goodwill	3,579
Due from reinsurers	4,837
Other assets	140,362
Net defined benefit asset	3,391
Deferred tax assets	19,598
Reserve for possible loan losses	(652)
<b>Total Assets</b>	<b>11,796,918</b>
<b>Liabilities:</b>	
Policy reserves and others	10,551,976
Reserve for outstanding claims	40,883
Policy reserves	10,506,684
Reserve for policyholders' dividends	4,407
Due to agencies	2,471
Due to reinsurers	5,356
Other liabilities	610,032
Net defined benefit liability	30,682
Reserve under the special laws	52,792
Reserve for price fluctuations	52,792
Deferred tax liabilities	142
Deferred tax liabilities on land revaluation	109
<b>Total Liabilities</b>	<b>11,253,564</b>
<b>Net Assets:</b>	
Common stock	70,000
Capital surplus	5,865
Retained earnings	347,230
<b>Total shareholders' equity</b>	<b>423,095</b>
Net unrealized gains (losses) on available-for-sale securities, net of taxes	123,443
Land revaluation, net of taxes	(2,439)
Remeasurements of defined benefit plans, net of taxes	(745)
<b>Total accumulated other comprehensive income</b>	<b>120,259</b>
<b>Total Net Assets</b>	<b>543,354</b>
<b>Total Liabilities and Net Assets</b>	<b>11,796,918</b>

# Consolidated Statement of Income

Sony Life Insurance Co., Ltd. and consolidated subsidiaries  
For the year ended March 31,

	Millions of yen
	2020
	Amount
<b>Ordinary Revenues</b>	<b>1,604,755</b>
<b>Income from insurance premiums</b>	<b>1,340,661</b>
<b>Investment income</b>	<b>208,620</b>
Interest income and dividends	181,812
Income from money held in trust, net	4,086
Gains on trading securities, net	317
Gains on sale of securities	3,637
Gains on derivatives, net	18,766
Other investment income	1
<b>Other ordinary income</b>	<b>55,473</b>
<b>Ordinary Expenses</b>	<b>1,510,373</b>
<b>Insurance claims and other payments</b>	<b>521,198</b>
Insurance claims	98,533
Annuity payments	15,036
Insurance benefits	157,074
Surrender payments	231,772
Refund to policyholders	18,781
<b>Provision for policy reserves and others</b>	<b>678,724</b>
Provision for reserve for outstanding claims	2,444
Provision for policy reserves	676,280
Interest portion of reserve for policyholders' dividends	0
<b>Investment expenses</b>	<b>91,943</b>
Interest expenses	5,064
Losses on sale of securities	50
Losses on valuation of securities	6,316
Foreign exchange losses, net	4,884
Provision for reserve for possible loan losses	43
Depreciation of real estate for rent and others	1,637
Other investment expenses	2,812
Losses on separate accounts, net	71,132
<b>Operating expenses</b>	<b>157,726</b>
<b>Other ordinary expenses</b>	<b>60,780</b>
<b>Ordinary Profit</b>	<b>94,381</b>
<b>Extraordinary Gains</b>	<b>248</b>
Gains on step acquisitions	248
<b>Extraordinary Losses</b>	<b>3,026</b>
Losses on disposal of fixed assets	95
Impairment losses	21
Provision for reserve under the special laws	2,665
Provision for reserve for price fluctuations	2,665
Losses on valuation of shares of subsidiaries	244
Provision for Reserve for Policyholders' Dividends	2,422
<b>Income Before Income Taxes</b>	<b>89,181</b>
Income Taxes - Current	31,334
Income Taxes - Deferred	(5,052)
<b>Total Income Taxes</b>	<b>26,282</b>
<b>Net Income</b>	<b>62,899</b>
<b>Profit Attributable to Owners of the Parent</b>	<b>62,899</b>

# Performance Indicators (Non-consolidated)

## 1 Key Performance Indicators for Past Five Years

	Millions of yen				
For the years ended March 31,	2016	2017	2018	2019	2020
Policy amount in force	44,749,196	47,185,239	49,173,547	51,474,244	<b>53,249,230</b>
Individual life insurance	42,293,769	44,313,382	45,892,442	47,676,209	<b>48,778,991</b>
Individual annuities	856,062	1,020,810	1,360,998	1,894,670	<b>2,668,626</b>
Group life insurance	1,599,364	1,851,046	1,920,106	1,903,365	<b>1,801,612</b>
Policy amount in force for group annuities	13,093	11,570	10,037	8,664	<b>7,364</b>
Annualized premiums from insurance in force	781,315	820,856	848,823	889,347	<b>922,781</b>
Medical protection, living benefit protection and other products	179,707	187,449	191,895	197,520	<b>201,358</b>
New policy amount	5,152,456	5,004,921	5,346,249	6,177,542	<b>5,416,127</b>
Individual life insurance	4,871,062	4,765,257	4,912,156	5,573,556	<b>4,563,208</b>
Individual annuities	280,332	192,247	375,820	576,937	<b>835,746</b>
Group life insurance	1,061	47,415	58,272	27,049	<b>17,172</b>
Annualized premiums from new policies	85,018	78,127	73,073	87,918	<b>82,146</b>
Medical protection, living benefit protection and other products	15,717	15,718	12,984	15,251	<b>12,901</b>
Ordinary revenues	1,230,141	1,243,739	1,351,076	1,464,218	<b>1,580,117</b>
Income from insurance premiums	1,028,048	956,733	1,059,269	1,136,104	<b>1,330,860</b>
Investment income	170,517	245,339	243,293	278,935	<b>193,718</b>
Ordinary expenses	1,169,348	1,183,558	1,294,738	1,384,406	<b>1,491,396</b>
Insurance claims and other payments	363,370	372,407	436,538	457,252	<b>511,945</b>
Investment expenses	23,399	36,196	33,121	24,638	<b>68,127</b>
Operating expenses	133,334	137,094	139,937	146,984	<b>156,454</b>
Ordinary profit	60,792	60,180	56,338	79,812	<b>88,720</b>
Net income	37,096	35,185	45,134	49,602	<b>56,743</b>
Core profit	43,019	83,831	81,384	97,242	<b>96,168</b>
Common stock	70,000	70,000	70,000	70,000	<b>70,000</b>
Shares issued and outstanding (thousands of shares)	70,000	70,000	70,000	70,000	<b>70,000</b>
Total assets	8,035,408	8,873,613	9,567,689	10,380,148	<b>11,237,124</b>
Separate account assets	850,323	989,605	1,128,817	1,300,701	<b>1,323,948</b>
Policy reserves	7,336,533	7,929,944	8,566,075	9,268,422	<b>9,959,832</b>
Loans	171,649	180,374	189,486	198,410	<b>208,632</b>
Securities	7,273,361	8,093,192	8,765,967	9,523,877	<b>10,629,972</b>
Solvency margin ratio	2,722.8%	2,568.8%	2,624.3%	2,590.5%	<b>2,476.3%</b>
Number of employees	7,289	7,865	8,246	8,461	<b>8,642</b>

- Notes: 1. Policy amount in force is the total of individual life insurance, individual annuities and group life insurance. Policy amount for individual annuities is equal to the sum of (a) the funds to be held at the time annuity payments are to commence for policies for which annuity payments have not yet commenced and (b) the amount of policy reserves for policies for which annuity payments have commenced.
2. The policy amount in force for group annuities is equal to the amount of policy reserves.
3. New policy amount is the total of individual life insurance, individual annuities and group life insurance. New policy amount for individual annuities is equal to the funds to be held at the time annuity payments commence.
4. Annualized premiums, which are the total of individual life insurance and individual annuities, are converted to a per-year premium amount by multiplying individual premiums by a coefficient corresponding to the premium payment method. (For single premium policies, premiums are divided by the number of coverage years.)
5. Annualized premiums for "medical protection, living benefit protection and other products" include those for medical protection benefits (hospitalization benefits, surgical benefits, etc.) and living benefit protection (benefits for specific diseases, nursing care benefits, etc.).
6. Separate account assets included in total assets include a portion of surplus investment funds, which amounted to ¥1,740 million as of March 31, 2020.

## ■ Sony Life Performance Indicators (Non-consolidated)

### 2 Key Performance Indicators

#### 2-01 Policy amount in force and new policy amount

Policy amount in force		2019				2020			
		Number	Comparison to March 31, 2018	Amount	Comparison to March 31, 2018	Number	Comparison to March 31, 2019	Amount	Comparison to March 31, 2019
Millions of yen, %									
As of March 31,									
Individual life insurance	7,513,563	102.7%	47,676,209	103.9%	7,708,641	102.6%	48,778,991	102.3%	
Individual annuities	334,433	132.4	1,894,670	139.2	452,214	135.2	2,668,626	140.8	
Group life insurance	—	—	1,903,365	99.1	—	—	1,801,612	94.7	
Group annuities	—	—	8,664	86.3	—	—	7,364	85.0	

Notes: 1. The policy amount in force for individual annuities is equal to the sum of (a) the funds to be held at the time annuity payments are to commence for policies for which annuity payments have not yet commenced and (b) the amount of policy reserves for policies for which annuity payments have commenced.  
2. The policy amount in force for group annuities is equal to the amount of policy reserves.

New policy amount		2019					Millions of yen, %	
		Number	Comparison to previous year	Amount	Comparison to previous year	Amount, of which, new policies	Amount, of which, increase from conversion	
Millions of yen, %								
For the year ended March 31,								
Individual life insurance	520,620	108.7%	5,573,556	113.5%	5,573,556	—		
Individual annuities	88,566	144.3	576,937	153.5	576,937	—		
Group life insurance	—	—	27,049	46.4	27,049	—		
Group annuities	—	—	—	—	—	—		

New policy amount		2020					Millions of yen, %	
		Number	Comparison to previous year	Amount	Comparison to previous year	Amount, of which, new policies	Amount, of which, increase from conversion	
Millions of yen, %								
For the year ended March 31,								
Individual life insurance	509,584	97.9%	4,563,208	81.9%	4,563,208	—		
Individual annuities	126,758	143.1	835,746	144.9	835,746	—		
Group life insurance	—	—	17,172	63.5	17,172	—		
Group annuities	—	—	—	—	—	—		

Notes: 1. The new policy amount including increase from conversion for individual annuities is equal to the funds held at the time annuity payments commence.  
2. The new policy amount for group annuities is equal to the sum of the initial premium payments.

#### 2-02 Annualized premiums

Policy amount in force		2019		2020	
		Amount	Comparison to March 31, 2018	Amount	Comparison to March 31, 2019
Millions of yen, %					
As of March 31,					
Individual life insurance	836,267	103.6%	852,794	102.0%	
Individual annuities	53,079	128.3	69,986	131.9	
Total	889,347	104.8	922,781	103.8	
Medical protection, living benefit protection and other products	197,520	102.9	201,358	101.9	

New policies		2019		2020	
		Amount	Comparison to previous year	Amount	Comparison to previous year
Millions of yen, %					
For the years ended March 31,					
Individual life insurance	74,702	116.9%	63,496	85.0%	
Individual annuities	13,216	143.7	18,650	141.1	
Total	87,918	120.3	82,146	93.4	
Medical protection, living benefit protection and other products	15,251	117.5	12,901	84.6	

Notes: 1. Annualized premiums refer to an amount that is calculated by multiplying individual premium amounts by a coefficient that differs depending on the premium payment methods, thereby converting the figure to a per-year premium. (For single premium policies, premiums are divided by the number of coverage years.)  
2. Annualized premiums for "medical protection, living benefit protection and other products" include those for medical protection benefits (hospitalization benefits, surgical procedure benefits, etc.) and living benefit protection (benefits for specific diseases, nursing care benefits, etc.)

# Sony Life Performance Indicators (Non-consolidated)

## 2-03 Policy amount in force and new policy amount by product

### Policy amount in force by product

As of March 31,	2019		2020	
	Number	Amount	Number	Amount
Millions of yen				
Individual life insurance products				
Pure death-protection insurance	5,814,145	44,066,490	6,005,350	45,055,464
Variable life insurance (whole life type)	836,700	4,319,548	830,917	4,235,777
U.S. dollar-denominated whole life insurance	273,462	2,145,338	345,101	2,595,393
U.S. dollar-denominated single premium whole life insurance (non-notification type)	32,836	161,518	75,228	360,779
U.S. dollar-denominated living benefit whole life insurance (living standard type)	86,726	482,670	140,684	793,998
Modified payment whole life insurance	13,217	112,757	12,891	108,232
Limited payment whole life insurance	332,374	2,587,955	327,030	2,537,455
Family insurance	1,130	10,230	1,116	10,068
Interest rate-sensitive whole life insurance	498,577	2,678,199	485,158	2,588,541
Whole life insurance (no selection type)	3,270	5,621	2,899	5,034
Single premium whole life insurance (non-notification type)	12,315	70,197	11,864	67,751
Living benefit insurance (whole life type)	502,744	1,668,691	490,981	1,615,889
Living benefit whole life insurance (living standard type)	138,836	545,724	136,745	532,715
Variable life insurance (term type)	12,713	683,486	15,422	857,489
Family income insurance	360,088	9,463,315	382,202	10,106,217
Living standard insurance	1,836	20,220	1,622	16,756
Level premium plan term life insurance	73,420	1,428,493	71,332	1,377,408
Decreasing term life insurance	68,253	1,254,085	67,860	1,241,608
Living benefit insurance (term type)	86,844	742,013	86,468	726,590
Living benefit term life insurance (living standard type)	93,286	812,735	105,068	914,384
Living benefit decreasing term life insurance (living standard type)	46,685	539,915	69,353	786,234
Level premium plan term life insurance (non-smoker preferred risk)	16,108	659,653	15,619	639,183
Decreasing term life insurance (non-smoker preferred risk)	17,240	271,206	15,648	229,813
Family income insurance (non-smoker preferred risk)	35,717	779,823	32,688	673,489
Increasing term life insurance	13	1,685	8	735
Long-term level premium plan term life insurance (with disability benefit)	65,177	3,221,774	61,912	3,066,430
Level premium plan term life insurance with reduced surrender value (disability / nursing care type)	1,149	43,497	1,195	43,168
Increasing term life insurance (reduced surrender value)	5,690	233,747	5,257	219,142
Level premium plan term life insurance with no surrender value	54,109	1,051,221	55,066	1,088,700
Level premium plan term life insurance with no surrender value (disability / nursing care type)	1,475	26,435	1,687	31,829
Level premium plan term life insurance with accident coverage period	2,922	547	2,969	6,930
U.S. dollar-denominated level premium plan term life insurance	—	—	166	10,063
Income protection insurance to cover three major diseases	26,535	20,449	27,440	21,014
Semi-participating whole life nursing care insurance	126,386	464,303	122,586	449,080
Whole life nursing care insurance (reduced surrender value)	21,627	3,861	21,840	3,807
Cancer insurance	208,267	26,926	207,326	26,579
Whole life cancer insurance (08)	83,411	7,064	82,622	6,932
Cancer hospitalization insurance	25,546	—	23,454	—
Comprehensive medical insurance	1,559,079	585,456	1,493,925	561,118
Comprehensive medical insurance (no surrender value) 18	78,920	3,113	164,901	6,493
Long-term comprehensive medical insurance	9,423	4,144	9,065	4,035
Semi-participating living standard insurance (joint type)	39	758	35	690
Term riders and others	[486,602]	6,928,096	[466,866]	6,487,896
Mixed insurance	497,116	1,789,706	539,986	1,969,897
Variable life insurance (limited term type)	152,548	569,972	185,790	722,001
U.S. dollar-denominated endowment insurance	24,157	80,847	39,870	133,798
U.S. dollar-denominated specialty endowment insurance	9,391	54,676	12,276	73,201
Endowment insurance	242,279	893,455	234,858	854,313
Semi-participating endowment insurance	56,653	148,181	53,738	140,232
Specialty endowment insurance	12,088	42,572	13,454	46,350
Pure endowment insurance	1,202,302	1,820,012	1,163,305	1,753,629
Educational endowment insurance	192,679	211,228	211,436	232,598
Semi-participating educational endowment insurance	1,009,623	1,608,784	951,869	1,521,031
Total individual life insurance products	7,513,563	47,676,209	7,708,641	48,778,991
Individual annuity products				
Semi-participating individual annuities	79,100	333,067	79,271	328,769
Individual variable annuities	242,958	1,478,311	359,620	2,251,080
Others	12,375	83,291	13,323	88,776
Total individual annuity products	334,433	1,894,670	452,214	2,668,626
Group life insurance products				
Group term life insurance	135,882	158,961	136,148	154,000
Group welfare term life insurance	135,398	71,652	139,600	72,930
Non-participating group welfare term life insurance	38,912	107,392	42,368	115,648
Group credit life insurance	1,288,611	1,565,356	1,245,465	1,459,032
Annuity payment rider	8	1	3	0
Total group life insurance products	1,598,811	1,903,365	1,563,584	1,801,612
Group annuity products				
New-type corporate annuities	8,665	84	8,065	79
Defined contribution corporate annuities	38,125	8,579	32,962	7,284
Total group annuity products	46,790	8,664	41,027	7,364
Medical protection insurance (group type)	—	—	—	—
Reinsurance recipients	—	—	—	—

- Notes: 1. "Term riders and others" includes, in addition to "term riders," "living benefit whole life policy riders" and "semi-participating lump-sum nursing care riders every five years."
2. The number of policies in force for "term riders and others" is excluded from total individual life insurance products.
3. "Semi-participating individual annuities" and "Individual variable annuities" under individual annuity products refer to the policies for which annuity payments have not yet commenced.  
The amounts of policies for which annuity payments have not yet commenced are the funds to be held at the time annuity payments are to commence.
4. "Others" under individual annuity products includes "semi-participating nursing care riders," "semi-participating fixed individual annuity riders," and the policies for which annuity payments have commenced.  
The amounts of policies for which annuity payments have commenced are those of policy reserves.
5. The numbers of policies for group life insurance products, group annuity products, medical protection insurance (group type) and reinsurance recipients reflect the total numbers of insured parties.
6. The amount of "Annuity payment rider" under group life insurance products is equal to the sum of (a) the funds to be held at the time annuity payments are to commence for policies for which annuity payments have not yet commenced and (b) the amount of policy reserves for policies for which payments have commenced.
7. The amount of policies in force for group annuity products is equal to the amount of policy reserves.
8. The amount of medical protection insurance (group type) is equal to the daily benefits for hospitalization.

## ■ Sony Life Performance Indicators (Non-consolidated)

### New policy amount by product

Millions of yen

For the years ended March 31,	2019		2020	
	Number	Amount	Number	Amount
Individual life insurance products				
Pure death-protection insurance	435,999	5,311,248	416,279	4,223,519
Variable life insurance (whole life type)	11,998	53,113	12,889	65,531
U.S. dollar-denominated whole life insurance	72,322	534,509	79,635	596,503
U.S. dollar-denominated single premium whole life insurance (non-notification type)	18,777	93,337	42,942	199,848
U.S. dollar-denominated living benefit whole life insurance (living standard type)	58,758	329,438	57,069	342,551
Modified payment whole life insurance	—	—	—	—
Limited payment whole life insurance	1,822	9,104	1,320	8,550
Family insurance	—	—	—	—
Interest rate-sensitive whole life insurance	(1)	(14)	(7)	(43)
Whole life insurance (no selection type)	8	9	—	—
Single premium whole life insurance (non-notification type)	—	—	—	—
Living benefit insurance (whole life type)	1,460	5,436	1,149	4,853
Living benefit whole life insurance (living standard type)	4,194	16,274	3,215	16,154
Variable life insurance (term type)	6,807	393,758	3,222	199,333
Family income insurance	65,591	2,235,078	46,188	1,631,720
Living standard insurance	—	—	—	—
Level premium plan term life insurance	5,024	92,810	4,052	82,804
Decreasing term life insurance	6,945	191,921	4,639	134,281
Living benefit insurance (term type)	6,256	47,454	5,128	35,868
Living benefit term life insurance (living standard type)	22,436	224,307	17,030	153,683
Living benefit decreasing term life insurance (living standard type)	24,254	283,816	24,841	291,308
Level premium plan term life insurance (non-smoker preferred risk)	1,316	59,540	808	37,672
Decreasing term life insurance (non-smoker preferred risk)	—	—	—	—
Family income insurance (non-smoker preferred risk)	—	—	—	—
Increasing term life insurance	—	—	—	—
Long-term level premium plan term life insurance (with disability benefit)	4,336	207,090	673	24,094
Level premium plan term life insurance with reduced surrender value (disability / nursing care type)	227	8,143	109	3,338
Increasing term life insurance (reduced surrender value)	487	19,399	38	1,103
Level premium plan term life insurance with no surrender value	6,656	162,980	5,050	127,006
Level premium plan term life insurance with no surrender value (disability / nursing care type)	448	8,552	326	7,879
Level premium plan term life insurance with accident coverage period	2,922	547	106	16
U.S. dollar-denominated level premium plan term life insurance	—	—	168	10,177
Income protection insurance to cover three major diseases	2,586	1,934	2,326	1,765
Semi-participating whole life nursing care insurance	754	2,960	486	2,479
Whole life nursing care insurance (reduced surrender value)	1,292	76	1,200	99
Cancer insurance	5,971	579	5,754	572
Whole life cancer insurance (08)	3,676	313	2,939	256
Cancer hospitalization insurance	1,148	—	378	—
Comprehensive medical insurance	17,810	4,130	2,990	1,669
Comprehensive medical insurance (no surrender value) 18	79,719	3,137	89,617	3,516
Long-term comprehensive medical insurance	—	—	(1)	—
Semi-participating living standard insurance (joint type)	—	—	—	—
Term riders and others	[13,497]	321,504	[9,984]	238,921
Mixed insurance	60,799	233,838	72,828	316,290
Variable life insurance (limited term type)	34,575	143,980	38,990	182,626
U.S. dollar-denominated endowment insurance	11,350	35,154	16,573	58,283
U.S. dollar-denominated specialty endowment insurance	2,391	11,470	3,334	23,012
Endowment insurance	9,866	34,440	10,774	40,814
Semi-participating endowment insurance	850	3,294	916	3,740
Specialty endowment insurance	1,767	5,498	2,241	7,814
Pure endowment insurance	23,822	28,468	20,477	23,399
Educational endowment insurance	23,823	28,469	20,474	23,394
Semi-participating educational endowment insurance	(1)	(0)	3	5
Total individual life insurance products	520,620	5,573,556	509,584	4,563,208

## ■ Sony Life Performance Indicators (Non-consolidated)

Individual annuity products				
Semi-participating individual annuities	2,002	6,676	2,532	8,594
Individual variable annuities	86,564	570,261	124,226	827,151
Others	—	—	—	—
Total individual annuity products	88,566	576,937	126,758	835,746
Group life insurance products				
Group term life insurance	715	48	—	—
Group welfare term life insurance	7,701	2,877	1,646	2,985
Non-participating group welfare term life insurance	9,981	24,123	5,204	14,186
Group credit life insurance	—	—	—	—
Annuity payment rider	—	—	—	—
Total group life insurance products	18,397	27,049	6,850	17,172
Group annuity products				
New-type corporate annuities	—	—	—	—
Defined contribution corporate annuities	—	—	—	—
Total group annuity products	—	—	—	—
Medical protection insurance (group type)	—	—	—	—
Reinsurance recipients	—	—	—	—

Notes: 1. "Term riders and others" includes, in addition to "term riders," "living benefit whole life policy riders" and "semi-participating lump-sum nursing care riders every five years."

2. The number of policies in force for "Term riders and others" is excluded from total individual life insurance products.

3. Figures for individual annuity products show the funds to be held at the time annuity payments are to commence.

4. The number of new policies for group life insurance products, group annuity products, medical protection insurance (group type) and reinsurance recipients reflect the total number of insured parties.

5. The new policy amount for group annuity products is equal to the sum of the initial premium payments.

6. The amount of medical protection insurance (group type) is equal to the daily benefits for hospitalization.

## ■ Sony Life Performance Indicators (Non-consolidated)

### 2-04 Policy amount in force by insurance function

	Millions of yen	
As of March 31,	2019	2020
Death protection		
Ordinary death		
Individual life insurance	45,856,197	47,025,362
Individual annuities	[390,782]	[488,900]
Group life insurance	1,903,363	1,801,611
Group annuities	—	—
Total, including others	47,759,561	48,826,973
Accidental death		
Individual life insurance	[6,157,420]	[5,952,344]
Individual annuities	—	—
Group life insurance	[317]	[293]
Group annuities	—	—
Total, including others	[6,157,737]	[5,952,638]
Death protection with other conditions		
Individual life insurance	[1,048,780]	[984,961]
Individual annuities	—	—
Group life insurance	—	—
Group annuities	—	—
Total, including others	[1,048,780]	[984,961]
Living protection		
Maturity and living benefits		
Individual life insurance	1,820,012	1,753,629
Individual annuities	1,812,211	2,580,564
Group life insurance	—	—
Group annuities	—	—
Total, including others	3,632,223	4,334,193
Annuities		
Individual life insurance	—	—
Individual annuities	[214,623]	[297,101]
Group life insurance	[0]	[0]
Group annuities	—	—
Total, including others	[214,624]	[297,101]
Others		
Individual life insurance	—	—
Individual annuities	82,458	88,062
Group life insurance	1	0
Group annuities	8,664	7,364
Total, including others	91,124	95,427
Hospitalization protection		
Accidental hospitalization		
Individual life insurance	[17,965]	[17,719]
Individual annuities	—	—
Group life insurance	[34]	[37]
Group annuities	—	—
Total, including others	[17,999]	[17,756]
Disease hospitalization		
Individual life insurance	[17,965]	[17,719]
Individual annuities	—	—
Group life insurance	—	—
Group annuities	—	—
Total, including others	[17,965]	[17,719]
Hospitalization with other conditions		
Individual life insurance	[6,818]	[6,716]
Individual annuities	—	—
Group life insurance	—	—
Group annuities	—	—
Total, including others	[6,818]	[6,716]

Notes: 1. Figures in [ ] show additional coverage and rider coverage attached to primary policies.

However, ordinary death protection including "term riders and others" is recorded under primary coverage.

2. Figures for "Maturity and living benefits" of living protection show the funds to be held at the time annuity payments are to commence for individual annuities and group life insurance (annuity payment rider) for which annuity payments have not yet commenced.

3. Figures for annuities within living protection show annual annuity amounts.

4. Figures for "Others" within living protection show policy reserves for individual annuities (after commencement of annuity payments), group life insurance (after commencement of annuity payments of annuities payment rider) and group annuities.

5. Figures for hospitalization protection show the daily benefits for hospitalization.

6. Figures for "Total, including others" in "Disease hospitalization" within hospitalization protection show the total of primary coverage and rider coverage.

## ■ Sony Life Performance Indicators (Non-consolidated)

### 2-05 Number of policies in force by insurance function

As of March 31,	2019	2020
Disability protection		
Individual life insurance	839,097	910,654
Individual annuities	—	—
Group life insurance	15,879	16,709
Group annuities	—	—
Total, including others	854,976	927,363
Surgery protection		
Individual life insurance	1,710,024	1,727,406
Individual annuities	—	—
Group life insurance	—	—
Group annuities	—	—
Total, including others	1,710,024	1,727,406

### 2-06 Policy amount in force by type of individual life insurance and individual annuities

As of March 31,	2019	2020
		Millions of yen
Pure death-protection insurance		
Whole life insurance	10,468,906	11,215,860
Whole life insurance with term rider	—	—
Term life insurance	20,550,373	21,178,687
Total, including others	44,066,490	45,055,464
Mixed insurance		
Endowment insurance	1,122,485	1,128,344
Endowment insurance with term rider	—	—
Term life insurance with living benefits	—	—
Total, including others	1,789,706	1,969,897
Pure endowment insurance	1,820,012	1,753,629
Annuity products		
Individual annuities	1,894,670	2,668,626
Riders for disaster and disease		
Rider to cover accidental death	2,846,778	2,732,267
Injury rider	2,870,818	2,778,957
Comprehensive protection riders covering hospitalization	389	371
Comprehensive protection riders covering hospitalization for family	14	13
Comprehensive protection riders covering lifestyle-related disease	42	40
Medical treatment rider for adults	1,093	1,038
Medical treatment rider for women	1,145	1,090
Lifestyle diseases medical treatment rider	13	12
New medical treatment rider for women	3	3
Cancer rider	273	283
Rider to cover initial period of hospitalization	6,667	6,391
Rider to cover hospitalization due to three diseases	104	212

Notes: 1. The amount of individual annuities is equal to the sum of (a) the funds to be held at the time annuity payments are to commence for policies for which annuity payments have not yet commenced and (b) the amount of policy reserves for policies for which payments have commenced.

2. Figures for hospitalization protection show the daily benefits for hospitalization.

## Sony Life Performance Indicators (Non-consolidated)

### 2-07 Annualized premiums from insurance in force by type of individual life insurance and Individual annuities

For the years ended March 31,	Millions of yen	
	2019	2020
Pure death-protection insurance		
Whole life insurance	176,106	194,493
Whole life insurance with term rider	—	—
Term life insurance	197,617	195,692
Total, including others	599,582	615,470
Mixed insurance		
Endowment insurance	49,758	49,591
Endowment insurance with term rider	—	—
Term life insurance with living benefits	—	—
Total, including others	75,934	81,710
Pure endowment insurance	134,322	129,220
Annuity products		
Individual annuities	53,079	69,986
Riders for disaster and disease		
Rider to cover accidental death	1,099	1,052
Injury rider	1,547	1,495
Comprehensive protection riders covering hospitalization	1,513	1,433
Comprehensive protection riders covering hospitalization for family	109	100
Comprehensive protection riders covering lifestyle-related disease	108	103
Medical treatment rider for adults	3,964	3,764
Medical treatment rider for women	3,492	3,318
Lifestyle diseases medical treatment rider	65	62
New medical treatment rider for women	25	24
Cancer rider	489	511
Rider to cover initial period of hospitalization	5,182	4,967
Rider to cover hospitalization due to three diseases	185	374
Total, including others	26,428	26,392

Note: Annualized premiums refer to an amount that is calculated by multiplying individual premium amounts by a coefficient that differs depending on the premium payment methods, thereby converting the figure to a per-year premium. (For single premium policies, premiums are divided by the number of coverage years.)

### 2-08 Dividends to policyholders

#### 1. Standard dividend yields for semi-participating individual life insurance and individual annuities with policyholder dividends every five years

For the years ended March 31,	%	
	2019	2020
Level-premium		
Assumed interest rates of 1.00% or less	0.65	0.65
Assumed interest rates of more than 1.00%, and 2.00% or less	1.50	1.50
Assumed interest rates of more than 2.00%	1.35	1.35
Single premium and others		
Assumed interest rates of 0.85% or less	0.30	0.30
Assumed interest rates of more than 0.85%, and 2.00% or less	1.15	1.15
Assumed interest rates of more than 2.00%	1.00	1.00

## ■ Sony Life Performance Indicators (Non-consolidated)

### 2. The following is an example of policyholder dividends for Sony Life's semi-participating whole life nursing care insurance (before nursing care annuity payments commence) using figures for the fiscal year ended March 31, 2020.

<Example> Semi-participating whole life nursing care insurance (before nursing care annuity payments commence)  
Entered at age 30, male, single premium, 10x death benefit, basic care annuity amount of ¥0.5 million

(Sales discontinued in July 2016)

Contract date	Assumed interest rate	Years elapsed	Ongoing policy	%, Years, Yen	
					Policies to which nursing care applies, ending at death of policyholder
Nov. 2, 2015	1.00%	5years	34,432		34,432
Nov. 2, 2014	1.00	6	—		5,873
Nov. 2, 2013	1.00	7	—		11,793
Nov. 2, 2012	1.50	8	—		0
Nov. 2, 2011	1.50	9	—		0
Nov. 2, 2010	1.50	10	0		0

Notes: 1. The "Policies to which nursing care applies, ending at death of policyholder" column shows the amount receivable for nursing care or upon death.  
The number of years elapsed is the number through November 2, 2020.  
2. The amount of policyholders' dividends above is the sum of the prorated dividend amount (policy reserve × dividend participation ratio) and interest through November 2, 2020 (excluding dividends already paid).  
Dividend participation ratio = Standard dividend yield – Assumed interest rate

### 3. Standard dividend yield on group annuities

The standard dividend yield on group annuities is 0.70%, using figures for the fiscal year ended March 31, 2020.

Note: Dividend participation is calculated as follows:  
Dividend amount = Policy reserves × Dividend participation ratio  
Dividend participation ratio = Standard dividend yield – Assumed interest rate

### 4. For group term life insurance and other products, a reserve for policyholders' dividends is accumulated in accordance with each product's characteristics.

## 3 Indicators for Insurance Policies

### 3-01 Increase ratio of policy amount in force

	%	
For the years ended March 31,	2019	2020
Individual life insurance	3.9	2.3
Individual annuities	39.2	40.8
Group life insurance	(0.9)	(5.3)
Group annuities	(13.7)	(15.0)

### 3-02 Average policy amount for new policies and policies in force (individual life insurance)

	Thousands of yen	
For the years ended March 31,	2019	2020
Average policy amount for new policies	10,705	8,954
Average policy amount for policies in force	6,345	6,327

Note: The above figures do not include the increase from the conversion for average policy amount for new policies.

### 3-03 Ratio of new policy amount (to policy amount in force at the beginning of the fiscal year)

	%	
For the years ended March 31,	2019	2020
Individual life insurance	12.1	9.6
Individual annuities	45.0	46.1
Group life insurance products	1.4	0.9

Note: The above figures do not include the increase from the conversion.

### 3-04 Lapse and surrender rate (to policy amount in force at the beginning of the fiscal year)

The lapse and surrender rate is expressed as a ratio calculated by dividing the amounts of lapses and surrenders modified for decreases, increases or reinstatements by the total policy amount in force at the beginning of the fiscal year.

	%	
For the years ended March 31,	2019	2020
Individual life insurance	6.37	4.86
Individual annuities	3.24	3.26
Subtotal	6.28	4.80
Group life insurance	4.39	4.27

## ■ Sony Life Performance Indicators (Non-consolidated)

The following lapse and surrender rate is expressed as a ratio calculated by dividing the amounts of lapses and surrenders not modified for decreases, increases or reinstatements by the total policy amount in force at the beginning of the fiscal year.

	2019	2020
For the years ended March 31, Individual life insurance + Individual annuities	6.06	4.46

### 3-05 Average premium for new policies of individual life insurance (monthly payment contracts)

	2019	2020
For the years ended March 31, Average premiums for new policies	12,743	11,782

Note: The above figures do not include increase from conversion.

### 3-06 Mortality rate (individual life insurance: primary coverage)

	2019	2020
For the years ended March 31, Based on number of policies	1.85	1.91
Based on policy amount	1.62	1.71

### 3-07 Incidence rates of riders (individual life insurance)

	2019		2020	
	Number of policies	Policy amount	Number of policies	Policy amount
For the years ended March 31, Accidental death protection	0.116	0.112	0.087	0.110
Disability protection	0.107	0.039	0.106	0.124
Accidental hospitalization protection	3.868	94.632	4.048	99.089
Disease hospitalization protection	39.299	650.664	40.973	653.695
Lifestyle-related disease hospitalization protection	17.950	445.180	19.624	449.901
Disease and accidental surgery protection	51.345		55.685	
Lifestyle-related disease surgery protection	14.430		16.085	

### 3-08 Operating expense ratio (to insurance premiums)

	2019	2020
For the years ended March 31, Operating expense ratio	13.0	11.8

## 4 Indicators Related to Asset Management (General Account)

### 4-01 Overview of asset management (general account)

Status of asset management for the fiscal year ended March 31, 2020

#### (1) Investment Environment

The Japanese economy slowed down during the fiscal year ended March 31, 2020. Although the first half of the fiscal year saw a moderate economic growth, the growth decelerated during the October-December quarter due to the impact of natural disasters and the consumption tax hike. The global spread of novel coronavirus infections (COVID-19) in the January-March quarter led to the further weakening of the domestic economy. Meanwhile, prices rose for 39 consecutive months with March core CPI rising 0.4% year on year. The October-December real GDP\* shrank 1.8% (annual rate: negative 7.1%) as downward pressures were applied by a 2.8% year-on-year drop in private consumption and a 4.6% year-on-year decline in capital expenditure.

Yields on the bond market rose with fluctuations. 10-year Japanese government bond (JGB) yields declined in the first half of the fiscal year as concerns grew over economic recessions caused by the U.S.-China trade friction. The subsequent progress in the U.S.-China trade talks ignited expectations for a global economic turnaround, leading to the higher yields. In February, though, JGB yields dipped as demands for JGBs, which were deemed safe assets, grew amid the spread of COVID-19. The yields, however, again trended upward as investors cashed out their JGB holdings to meet the increasing needs for cash on hand. The 10-year JGB yield as of March 31, 2020, was 0.031% (up 0.113 percentage points from a year earlier).

In the stock markets, stock prices dropped during the fiscal year. In the first half of the fiscal year, the markets remained soft against the backdrop of the U.S.-China trade friction. With the progress in the U.S.-China trade negotiations, stock prices rallied from September and the Nikkei Stock Average reached ¥24,000 in December when an agreement was reached on a Phase One trade deal. A global increase in cases with COVID-19, however, triggered steep falls in share prices in February 2020 and the Nikkei subsequently plummeted below ¥17,000. In response, national governments worldwide announced significant monetary easing and large-scale fiscal policies, which led to the recovery of the share prices to the ¥19,000 mark. The Nikkei Stock Average closed at ¥18,917.01 on March 31, 2020 (down ¥2,288.8 from a year earlier).

The foreign exchange market showed a yen appreciation against the dollar accompanying significant fluctuations. In the first half of the fiscal year, the yen gained ground versus the U.S. dollar against the backdrop of the shrinking interest rate differentials between the two countries and the U.S.-China trade friction. From September, the yen lost ground to the U.S. dollar falling to ¥112 at one stage, in response to the progress in the U.S.-China trade talks, strong economic indicators in the U.S., and the growing risk appetites among investors. The yen then appreciated to ¥101 in March due to the emergency rate cuts and other monetary easing measures implemented by the Federal Reserve Board (FRB) in response to the falling crude oil prices and spread of COVID-19. Thereafter, the rising demand for the U.S. dollar, the key currency, put the brakes on the appreciation of the yen. As of March 31, 2020, USD/JPY stood at ¥108.83 (down ¥2.16 from a year earlier).

\*Second preliminary estimates

## ■ Sony Life Performance Indicators (Non-consolidated)

### (2) Investment Policy

Sony Life's investment policy is to understand the characteristics of insurance liabilities, and prioritize investment in the assets that meet such characteristics based on ALM (asset liability management, the comprehensive management of assets and liabilities). Specifically, Sony Life is investing primarily in ultralong-term Japanese bonds with longer remaining maturity, to meet the long-term liabilities of life insurance policies, in an effort to maintain adequate control over the risks associated with interest rate fluctuations involved in such insurance liabilities. Meanwhile, it is Sony Life's policy to limit its investment in risky assets including stocks.

### (3) Results of Investment

As of March 31, 2020, general account assets totaled ¥9,914.9 billion, up 9.2%, or ¥835.4 billion, from a year earlier. Within general account assets, Japanese bonds totaled ¥8,364.5 billion [accounting for 84.4% of total general account assets], foreign bonds ¥966.9 billion [9.8%], Japanese stocks ¥28.0 billion [0.3%], policy loans ¥208.0 billion [2.1%], real estate ¥92.5 billion [0.9%] and cash and due from banks ¥79.8 billion [0.8%].

#### Portfolio of general account assets

##### Components of general account assets

As of March 31,	2019		2020	
	Amount	Composition	Amount	Composition
Cash and due from banks, call loans	61,997	0.7%	79,846	0.8%
Securities repurchased under resale agreements	—	—	—	—
Pledged money for bond borrowing transaction	—	—	—	—
Monetary claims purchased	—	—	—	—
Securities under proprietary accounts	—	—	—	—
Money held in trust	269,387	3.0	40	0.0
Securities	8,339,691	91.9	9,388,609	94.7
Japanese bonds	7,745,342	85.3	8,364,513	84.4
Japanese stocks	28,611	0.3	28,064	0.3
Foreign securities	564,666	6.2	995,567	10.0
Bonds	542,126	6.0	966,964	9.8
Stocks, etc.	22,539	0.2	28,603	0.3
Other securities	1,071	0.0	464	0.0
Loans	198,410	2.2	208,632	2.1
Policy loans	198,369	2.2	208,069	2.1
Commercial loans	41	0.0	562	0.0
Real estate	90,804	1.0	92,559	0.9
Deferred tax assets	14,248	0.2	19,308	0.2
Other assets	105,530	1.2	126,573	1.3
Reserve for possible loan losses	(623)	(0.0)	(652)	(0.0)
Total	9,079,446	100.0	9,914,916	100.0
Foreign currency-denominated assets	562,095	6.2	985,116	9.9

Note: The amount for real estate is equivalent to the total amount of land, buildings and construction in progress.

#### Changes in general account assets by categories

For the years ended March 31,	2019	2020
Cash and due from banks, call loans	21,135	17,848
Securities repurchased under resale agreements	—	—
Pledged money for bond borrowing transaction	—	—
Monetary claims purchased	—	—
Securities under proprietary accounts	—	—
Money held in trust	(1,194)	(269,346)
Securities	621,785	1,048,917
Japanese bonds	464,197	619,170
Japanese stocks	(9,852)	(547)
Foreign securities	167,755	430,901
Bonds	175,555	424,837
Stocks, etc.	(7,799)	6,063
Other securities	(314)	(606)
Loans	8,924	10,221
Policy loans	8,908	9,700
Commercial loans	15	520
Real estate	(1,542)	1,755
Deferred tax assets	3,461	5,059
Other assets	(11,665)	21,043
Reserve for possible loan losses	(328)	(29)
Total	640,574	835,469
Foreign currency-denominated assets	152,232	423,021

Note: The amount for real estate is equivalent to the total amount of land, buildings and construction in progress.

## ■ Sony Life Performance Indicators (Non-consolidated)

### 4-02 Investment yield by type of asset (general account)

	%	
For the years ended March 31,	2019	2020
Cash and due from banks, call loans	0.00	0.00
Securities repurchased under resale agreements	—	—
Pledged money for bond borrowing transaction	—	—
Monetary claims purchased	—	—
Securities under proprietary accounts	—	—
Money held in trust	1.93	1.90
Securities	2.11	1.79
Japanese bonds	1.76	1.71
Japanese stocks	32.26	19.34
Foreign securities	6.39	2.12
Loans	3.55	3.47
Commercial loans	0.53	1.47
Real estate	5.81	6.95
Total	1.94	1.85

Notes: 1. The denominator for the investment yield calculation is a daily averaged carrying amount, while the numerator is investment income minus investment expenses under ordinary profit (loss).  
2. Valuation gains for Article 112 of the Insurance Business Act of Japan are not accounted for.

### 4-03 Average balance by type of asset (general account)

	Millions of yen	
For the years ended March 31,	2019	2020
Cash and due from banks, call loans	62,289	69,789
Securities repurchased under resale agreements	—	—
Pledged money for bond borrowing transaction	—	—
Monetary claims purchased	—	—
Securities under proprietary accounts	—	—
Money held in trust	232,461	210,929
Securities	7,899,966	8,616,094
Japanese bonds	7,403,902	7,817,077
Japanese stocks	20,103	19,854
Foreign securities	475,190	778,614
Loans	192,198	202,887
Commercial loans	28	221
Real estate	84,674	83,172
Total	8,570,661	9,287,747
Overseas investment	482,174	794,160

### 4-04 Investment income (general account)

	Millions of yen	
For the years ended March 31,	2019	2020
Interest income and dividends	166,937	181,811
Gains on securities under proprietary accounts	—	—
Income from money held in trust, net	4,490	4,013
Income from trading securities, net	—	156
Gains on sale of securities	6,107	3,637
Gains on redemption of securities	—	—
Gains on derivatives, net	—	4,098
Foreign exchange gains, net	13,455	—
Reversal of reserve for possible loan losses	—	—
Other investment income	—	1
Total	190,990	193,718

## ■ Sony Life Performance Indicators (Non-consolidated)

### 4-05 Investment expenses (general account)

For the years ended March 31,	Millions of yen	
	2019	2020
Interest expense	1,604	5,059
Losses on securities under proprietary accounts	—	—
Losses on money held in trust, net	—	—
Losses on trading securities, net	126	—
Losses on sale of securities	34	50
Losses on valuation of securities	4,026	6,316
Losses on redemption of securities	—	—
Losses on derivatives, net	13,925	—
Foreign exchange losses, net	—	6,345
Provision for reserve for possible loan losses	329	43
Write-off of loans	—	—
Depreciation of real estate for rent and others	1,599	1,637
Other investment expenses	2,992	2,683
Total	24,638	22,136

### 4-06 Interest income and dividends (general account)

For the years ended March 31,	Millions of yen	
	2019	2020
Interest income from deposits	0	0
Interest income and dividends on securities	150,733	164,700
Interest income from Japanese bonds	129,930	133,450
Dividends from Japanese stocks	556	319
Interest income and dividends on foreign securities	19,906	30,660
Interest income from loans	6,828	7,049
Income from real estate for rent	8,831	9,710
Total, including others	166,937	181,811

### 4-07 Gains on sale of securities (general account)

For the years ended March 31,	Millions of yen	
	2019	2020
Japanese bonds including JGBs	—	—
Japanese stocks, etc.	6,107	3,440
Foreign securities	—	—
Others	—	197
Total	6,107	3,637

### 4-08 Losses on sale of securities (general account)

For the years ended March 31,	Millions of yen	
	2019	2020
Japanese bonds including JGBs	—	—
Japanese stocks, etc.	34	50
Foreign securities	0	—
Others	—	—
Total	34	50

### 4-09 Losses on valuation of securities (general account)

For the years ended March 31,	Millions of yen	
	2019	2020
Japanese bonds including JGBs	—	—
Japanese stocks, etc.	—	—
Foreign securities	4,026	6,316
Others	—	—
Total	4,026	6,316

## ■ Sony Life Performance Indicators (Non-consolidated)

### 4-10 Securities (general account)

As of March 31,	2019		2020	
	Amount	Composition	Amount	Composition
Japanese government bonds	7,212,288	86.5%	7,757,263	82.6%
Japanese local government bonds	448	0.0	445	0.0
Japanese corporate bonds	532,604	6.4	606,804	6.5
Public corporation bonds	460,976	5.5	471,862	5.0
Japanese stocks	28,611	0.3	28,064	0.3
Foreign securities	564,666	6.8	995,567	10.6
Bonds	542,126	6.5	966,964	10.3
Stocks, etc.	22,539	0.3	28,603	0.3
Other securities	1,071	0.0	464	0.0
Total	8,339,691	100.0	9,388,609	100.0

Millions of yen, %

### 4-11 Balance of securities by remaining period (general account)

As of March 31,	2019						Total
	Within 1 year	More than 1 year to 3 years	More than 3 years to 5 years	More than 5 years to 7 years	More than 7 years to 10 years	Over 10 years (including no fixed maturity)	
Securities	4,806	8,828	58,659	272,892	392,177	7,602,326	8,339,691
Japanese government bonds	—	5,372	56,110	270,303	388,956	6,491,545	7,212,288
Japanese local government bonds	—	—	—	—	—	448	448
Japanese corporate bonds	—	—	2,327	2,588	3,220	524,468	532,604
Japanese stocks	—	—	—	—	—	28,611	28,611
Foreign securities	4,708	2,790	222	—	—	556,945	564,666
Bonds	—	—	—	—	—	542,126	542,126
Stocks, etc.	4,708	2,790	222	—	—	14,818	22,539
Other securities	98	665	—	—	—	307	1,071
Monetary claims purchased	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—
Total	4,806	8,828	58,659	272,892	392,177	7,602,326	8,339,691

Millions of yen

As of March 31,	2020						Total
	Within 1 year	More than 1 year to 3 years	More than 3 years to 5 years	More than 5 years to 7 years	More than 7 years to 10 years	Over 10 years (including no fixed maturity)	
Securities	11,520	21,516	257,181	315,545	487,383	8,295,461	9,388,609
Japanese government bonds	7,139	18,725	249,828	313,323	482,539	6,685,706	7,757,263
Japanese local government bonds	—	—	—	—	—	445	445
Japanese corporate bonds	—	—	4,882	1,043	2,176	598,701	606,804
Japanese stocks	—	—	—	—	—	28,064	28,064
Foreign securities	4,315	2,391	2,470	1,178	2,667	982,544	995,567
Bonds	—	1,128	2,284	1,178	2,667	959,706	966,964
Stocks, etc.	4,315	1,262	186	—	—	22,838	28,603
Other securities	65	398	—	—	—	—	464
Monetary claims purchased	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—
Total	11,520	21,516	257,181	315,545	487,383	8,295,461	9,388,609

Millions of yen

Note: Items treated as securities based on "financial product accounting standards" (Corporate Accounting Standards, No. 10) are included.

### 4-12 Fiscal year-end yields on bonds (general account)

As of March 31,	2019	2020
Japanese bonds	1.76	1.71
Foreign bonds	2.55	2.54

%

Note: Figures in this table are calculated excluding discount bonds.

## Sony Life Performance Indicators (Non-consolidated)

### 4-13 Japanese stock holdings by industry (general account)

As of March 31,	Millions of yen, %			
	2019		2020	
	Amount	Composition	Amount	Composition
Fisheries, agriculture and forestry	—	—%	—	—%
Mining	—	—	—	—
Construction	1,806	6.3	354	1.3
Manufacturing industries				
Food products	93	0.3	—	—
Textiles and clothing	—	—	—	—
Pulp and paper	—	—	—	—
Chemicals	808	2.8	826	2.9
Medical products	887	3.1	706	2.5
Oil and coal products	—	—	—	—
Rubber products	—	—	—	—
Glass and stone products	143	0.5	—	—
Steel	—	—	—	—
Non-steel metals	—	—	—	—
Metal products	277	1.0	—	—
Machinery	940	3.3	705	2.5
Electric appliances	4,969	17.4	1,576	5.6
Transportation vehicles	2,434	8.5	924	3.3
Precision machinery	730	2.6	692	2.5
Others	810	2.8	538	1.9
Electric and gas utilities	—	—	—	—
Transportation / information telecommunications				
Ground transportation	1,187	4.2	800	2.9
Water transportation	—	—	—	—
Air transportation	—	—	—	—
Warehouses / transportation	—	—	—	—
Information / telecommunications	257	0.9	—	—
Commerce				
Wholesalers	106	0.4	—	—
Retailers	2,877	10.1	927	3.3
Financial services / insurance				
Banking	—	—	—	—
Securities and commodity futures trading	—	—	—	—
Insurance	8,096	28.3	18,426	65.7
Other financial services	926	3.2	379	1.4
Real estate	—	—	—	—
Service companies	1,256	4.4	1,206	4.3
Total	28,611	100.0	28,064	100.0

Note: Categories of stock holdings by industry are based on the classification by the Securities Identification Code Committee of Japan.

### 4-14 Loans (general account)

As of March 31,	Millions of yen	
	2019	2020
Policy loans	198,369	208,069
Policyholder loans	180,988	190,521
Automatic premium loans	17,380	17,548
Commercial loans	41	562
[Loans to borrowers outside Japan]	[—]	[—]
Corporate loans	—	—
[Corporate loans - domestic]	[—]	[—]
Loans to national, international and government-affiliated organizations	—	—
Loans to public entities	—	—
Mortgage loans	—	—
Consumer loans	—	—
Other loans	41	562
Total	198,410	208,632

## ■ Sony Life Performance Indicators (Non-consolidated)

### 4-15 Tangible fixed assets (general account)

#### Details of tangible fixed assets

Millions of yen, %

For the year ended March 31,	2019						
	Balance at the beginning of the period	Increase in the period	Decrease in the period	Amount of depreciation in the period	Balance at the end of the period	Amount of accumulated depreciation	Ratio of accumulated depreciation
Land	62,259	—	—	—	62,259	—	—%
Buildings	30,087	494	69 [34]	1,967	28,544	27,459	49.0
Leased assets	5	21	1	4	20	0	2.4
Construction in progress	—	—	—	—	—	—	—
Other tangible assets	816	130	4 [2]	189	752	1,791	70.4
<b>Total</b>	<b>93,169</b>	<b>646</b>	<b>76 [37]</b>	<b>2,161</b>	<b>91,577</b>	<b>29,251</b>	<b>49.9</b>
Investment and rental properties	86,069	75	917	1,599	83,627	25,680	52.2

Millions of yen, %

For the year ended March 31,	2020						
	Balance at the beginning of the period	Increase in the period	Decrease in the period	Amount of depreciation in the period	Balance at the end of the period	Amount of accumulated depreciation	Ratio of accumulated depreciation
Land	62,259	2,456	—	—	64,715	—	—%
Buildings	28,544	1,406	112 [18]	1,995	27,843	29,269	51.2
Leased assets	20	443	—	54	408	55	11.9
Construction in progress	—	—	—	—	—	—	—
Other tangible assets	752	92	4 [2]	189	651	1,909	74.6
<b>Total</b>	<b>91,577</b>	<b>4,397</b>	<b>116 [21]</b>	<b>2,239</b>	<b>93,619</b>	<b>31,234</b>	<b>51.9</b>
Investment and rental properties	83,627	1,362	13	1,637	83,338	27,135	54.6

Note: Figures in [ ] in the "Decrease in the period" describe the amount of impairment losses.

#### Balance of real estate and number of buildings for rent

Millions of yen

As of March 31,	2019	2020
Real estate balance	90,804	92,559
For corporate use	7,232	9,648
For rent	83,571	82,910
Number of buildings for rent	2	3

### 4-16 Overseas investment (general account)

#### Details by assets

Millions of yen, %

As of March 31,	2019		2020	
	Amount	Composition	Amount	Composition
Foreign currency-denominated assets (yen amount not fixed)				
Foreign bonds	542,126	95.1%	966,964	96.1%
Foreign stocks	8,395	1.5	3,267	0.3
Cash, deposits and others	11,573	2.0	14,884	1.5
Subtotal	562,095	98.6	985,116	97.9
Foreign currency-denominated assets (yen amount fixed)				
Foreign bonds	—	—	—	—
Cash, deposits and others	—	—	—	—
Subtotal	—	—	—	—
Yen-denominated assets				
Loans to borrowers outside Japan	—	—	—	—
Foreign bonds and others	8,199	1.4	20,885	2.1
Subtotal	8,199	1.4	20,885	2.1
<b>Total</b>				
Overseas investment	570,294	100.0	1,006,001	100.0

Note: "Foreign currency-denominated assets (yen amount fixed)" are recorded under assets on the balance sheets at the fixed yen value that was determined at settlement with foreign exchange forward contracts.

## ■ Sony Life Performance Indicators (Non-consolidated)

### Overseas investment by region

Millions of yen, %

As of March 31,	2019							
	Foreign securities		Foreign bonds		Foreign stocks, etc.		Loans to borrowers outside Japan	
	Amount	Composition	Amount	Composition	Amount	Composition	Amount	Composition
North America	544,778	96.5%	542,126	100.0%	2,652	11.8%	—	—%
Europe	2,712	0.5	—	—	2,712	12.0	—	—
Oceania	6,529	1.2	—	—	6,529	29.0	—	—
Asia	339	0.1	—	—	339	1.5	—	—
Latin America	10,306	1.8	—	—	10,306	45.7	—	—
Middle East	—	—	—	—	—	—	—	—
Africa	—	—	—	—	—	—	—	—
International organizations	—	—	—	—	—	—	—	—
<b>Total</b>	<b>564,666</b>	<b>100.0</b>	<b>542,126</b>	<b>100.0</b>	<b>22,539</b>	<b>100.0</b>	<b>—</b>	<b>—</b>

Millions of yen, %

As of March 31,	2020							
	Foreign securities		Foreign bonds		Foreign stocks, etc.		Loans to borrowers outside Japan	
	Amount	Composition	Amount	Composition	Amount	Composition	Amount	Composition
North America	969,100	97.3%	966,964	100.0%	2,136	7.5%	—	—%
Europe	2,032	0.2	—	—	2,032	7.1	—	—
Oceania	1,472	0.1	—	—	1,472	5.1	—	—
Asia	496	0.0	—	—	496	1.7	—	—
Latin America	22,465	2.3	—	—	22,465	78.5	—	—
Middle East	—	—	—	—	—	—	—	—
Africa	—	—	—	—	—	—	—	—
International organizations	—	—	—	—	—	—	—	—
<b>Total</b>	<b>995,567</b>	<b>100.0</b>	<b>966,964</b>	<b>100.0</b>	<b>28,603</b>	<b>100.0</b>	<b>—</b>	<b>—</b>

### Foreign currency-denominated assets by currency

Millions of yen, %

As of March 31,	2019		2020	
	Amount	Composition	Amount	Composition
U.S. dollar	553,290	98.4%	980,637	99.5%
Euro	1,853	0.3	2,432	0.2
Australian dollar	6,529	1.2	1,472	0.1
British pound	81	0.0	77	0.0
Singapore dollar	341	0.1	497	0.1
<b>Total</b>	<b>562,095</b>	<b>100.0</b>	<b>985,116</b>	<b>100.0</b>

### 4-17 Yield on overseas investments (general account)

%

For the years ended March 31,	2019	2020
Yield on overseas investments	6.30	2.09

Note: Overseas investments is the total of foreign currency-denominated assets and yen-denominated assets.

## ■ Sony Life Performance Indicators (Non-consolidated)

### 5 Status of Insurance Claims Paying Ability

#### 5-01 Solvency margin ratio

	Millions of yen	
As of March 31,	2019	2020
(A) Total solvency margin	1,313,033	1,412,772
Common stock, etc.	361,442	390,186
Reserve for price fluctuations	50,105	52,768
Contingency reserve	98,613	107,659
General reserve for possible loan losses	2	0
Net unrealized gains (losses) on available-for-sale securities (before tax deductions) and net deferred gains (losses) on hedging instruments (before tax deductions) × 90% (100% if losses)	153,782	154,773
Net unrealized gains on real estate × 85% (100% if losses)	50,980	65,514
Amount excluded from deferred tax assets	—	—
Unallocated portion of reserve for policyholders' dividends	245	152
Deferred tax assets	92,924	101,924
Excess amount of policy reserves based on Zillmer method	544,688	554,097
Subordinated debt	—	—
The portion of the excess amount of policy reserves based on Zillmer method and subordinated debt that is not included in the margin	(34,281)	(3,331)
Deductible items	(5,471)	(10,971)
(B) Total risk		
$\sqrt{(R_1+R_6)^2+(R_2+R_3+R_7)^2}+R_4$	101,371	114,101
Insurance risk $R_1$	24,574	24,498
Third-sector insurance risk $R_6$	8,526	8,459
Assumed interest rate risk $R_2$	34,062	36,468
Minimum guarantee risk $R_7$	22,141	23,810
Asset management risk $R_3$	36,935	46,045
Business management risk $R_4$	2,524	2,785
Solvency margin ratio		
$[(A)/\{(1/2)\times(B)\}]\times 100$	2,590.5%	2,476.3%

Notes: 1. The above figures are calculated based on provisions in Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act of Japan and the Ministry of Finance Public Notice No. 50 (1996).  
2. Minimum guarantee risk is calculated based on the standardized approach.

#### Reference: Real net assets

	Billions of yen	
As of March 31,	2019	2020
(1) Total amount to be recorded as assets (=① + ② + ③ + ④ - ⑤ - ⑥)	12,556.8	13,877.8
① Total assets on the balance sheets	10,380.1	11,237.1
② Difference between fair value and balance sheet amount of securities	2,114.3	2,561.2
③ Unrealized gain (losses) on tangible fixed assets	62.3	79.4
④ Unrealized gain (losses) other than tangible fixed assets	—	—
⑤ Deferred tax assets for net unrealized gains (losses) on available-for-sale securities	—	—
⑥ Deferred tax assets for net deferred gains (losses) on hedging instruments	—	—
(2) An amount calculated based on total amount to be recorded as liabilities (=① - ② - ③ - ④ - ⑤ - ⑥)	9,124.4	9,934.7
① Total liabilities on the balance sheets	9,866.2	10,697.5
② Reserve for price fluctuations	50.1	52.7
③ Contingency reserve	98.6	107.6
④ Part of reserves for future insurance claim payment	544.9	554.2
Excess of amount equivalent to surrender values (④ (a))	544.6	554.0
Unallocated amount in reserve for policyholders' dividends (④ (b))	0.2	0.1
⑤ Deferred tax liabilities for net unrealized gains (losses) on available-for-sale securities	48.1	48.1
⑥ Deferred tax liabilities for net deferred gains (losses) on hedging instruments	—	—
Real net assets (A) (1)-(2) (including unrealized gains (losses) on held-to-maturity securities and policy-reserve-matching bonds)	3,432.3	3,943.0
(3) Unrealized gains (losses) on held-to-maturity securities and policy-reserve-matching bonds	2,114.3	2,561.2
Real net assets (B) (1)-(2)-(3) (excluding unrealized gains (losses) on held-to-maturity securities and policy-reserve-matching bonds)	1,318.0	1,381.8

Note: According to the "Comprehensive Guideline for Insurance Companies" defined by the regulatory authority, when the amount (actual difference between assets and liabilities (B)) obtained by deducting unrealized gains (losses) on held-to-maturity securities and on policy-reserve-matching bonds which are not accounted for in the balance sheets as mark-to-market from the actual difference between assets and liabilities (A) is positive, and liquid assets are held, the regulatory authority will not, in principle, take early corrective actions even if the actual difference between assets and liabilities (A) becomes negative.

## ■ Sony Life Performance Indicators (Non-consolidated)

### 6 Balance of Separate Account Assets

	Millions of yen	
As of March 31,	2019	2020
Individual variable life insurance and individual variable annuities	1,300,701	1,323,948
Group annuities	—	—
Total separate account	1,300,701	1,323,948

Note: Assets relating to individual variable life insurance and individual variable annuities are jointly invested at Sony Life.

### 7 Investment Progress of Separate Account Assets in Individual Variable Life Insurance and Individual Variable Annuities

#### 7-01 Results of investment

	2020								%
As of March 31,	Equity-based investment	Japanese growth equity-based investment	Global core equity-based investment	Global equity-based investment	Bond-based investment	Global bond-based investment	Hybrid investment	Short-term monetary market-based investment	
Results of investment	(8.09)	(5.69)	(12.26)	(2.92)	0.00	4.32	(3.86)	(0.02)	

#### 7-02 Investment progress (for the fiscal year ended March 31, 2020)

##### Equity-based investment

Benchmark: The Nikkei Stock Average

##### ■ Investment progress in the period

Japanese stock markets fell during the fiscal year. In the period from the beginning to the midpoint of the fiscal year, the Nikkei Stock Average remained weak due to the deterioration of investor sentiment against the backdrop of U.S. tariff hikes on imports from China; however, share prices began to trend upward due to progress in U.S.-China trade talks from September, leading the index to briefly rise to the ¥24,000 level. Thereafter, the global spread of COVID-19 beginning in February 2020 led to a sharp decrease in the index to the ¥16,000 level in March. However, monetary easing and fiscal policies by national governments resulted in a rebound of the index to around ¥19,000 at the end of fiscal year, as investors expected these to prop up economies. The investment results of the fund were negative 8.09% year on year, while the benchmark return stood at negative 10.79%.

##### ■ Investment policy for the future

Sony Life's investment activities will remain primarily focused on the Exchange Traded Fund (ETF Nikkei 225), to ensure linkage to the stock market. Furthermore, Sony Life will aim to achieve medium- to long-term investment results in excess of the Nikkei Stock Average through investments in domestic stocks.

##### Japanese growth equity-based investment

Benchmark: TOPIX (inclusive of dividends)

##### ■ Investment progress in the period

Sony Life invested in the additional-type equity investment trust "Fidelity Japan Growth Stock Fund VA3 (exclusively for qualified institutional investors)" (provided by FIL Investments (Japan) Limited). Investment results of the fund were negative 5.69% year on year, while the benchmark return stood at negative 9.50%.

##### ■ Investment policy for the future

Sony Life will continue investing in the additional-type equity investment trust "Fidelity Japan Growth Stock Fund VA3 (exclusively for qualified institutional investors)." This investment trust invests mainly in stocks listed on the Japanese stock exchanges (or stocks equivalent thereto), with the basic strategies involving active investment aiming to achieve long-term growth of the investment trust asset.

##### Global core equity-based investment

Benchmark: MSCI World Index (inclusive of dividends, in yen terms)

##### ■ Investment progress in the period

Sony Life invested in the additional-type equity investment trust "World Equity Fund VL (exclusively for qualified institutional investors)" (provided by State Street Global Advisors (Japan) Co., Ltd.). Investment results of the fund were negative 12.26% year on year, while the benchmark return was negative 10.57%.

##### ■ Investment policy for the future

Sony Life will continue investing in the additional-type equity investment trust "World Equity Fund VL (exclusively for qualified institutional investors)." This investment trust invests mainly in stocks both in Japan and abroad aiming to achieve investment results in excess of the benchmark MSCI World Index (inclusive of dividends, in yen terms).

# Sony Life Performance Indicators (Non-consolidated)

## Global equity-based investment

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Benchmark: MSCI World Index (inclusive of dividends, in yen terms)

Investment advisor: Morgan Stanley Investment Management (Japan) Co., Ltd.

### ■ Investment progress in the period

The world's major stock markets fell during the fiscal year. Up through the middle of the fiscal year, stocks continued to trend with a sluggish upside; however, progress in U.S.-China trade talks as well as a series of FRB interest rate cuts and strong economic statistics helped boost U.S. stock prices, which marked record highs in February 2020. However, this was followed by steep falls in share prices with the global spread of COVID-19. Towards the end of the fiscal year, share prices returned to a tight range amid high expectations that monetary easing and fiscal policies enacted by national governments would prop up economies. Investment results of the fund were negative 2.92% year on year, while the benchmark return was negative 10.57%.

### ■ Investment policy for the future

Sony Life will continue investing in globally diversified stocks, based on its further analysis of fundamentals, focusing on stocks with significant intangible assets (brand value), thereby aiming to achieve investment results in excess of the MSCI World Index (inclusive of dividends, in yen terms) over the medium to long term.

## Bond-based investment

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### ■ Investment progress in the period

The Japanese bond market experienced significant fluctuations in interest rates. In the first half of the fiscal year, long-term interest rates temporarily fell to the negative 0.28% range due to concerns over the economic outlook due to the intensifying U.S.-China trade friction. Then, with progress in U.S.-China trade talks, the risk averse sentiment receded and long-term interest rates began to rise. At the beginning of the calendar year, the spread of COVID-19 caused a decline in long-term interest rates; however, growing demand for funding accelerated bond sales, with interest rates temporarily rising to over positive 0.08% at the end of the fiscal year. Investment results of the fund were positive 0.00% year on year.

### ■ Investment policy for the future

Sony Life will continue to build a portfolio consisting mainly of Japanese yen-denominated bonds, with the aim of ensuring stable medium- to long-term yields. It will work to achieve stable investment results based on gains on sales, as well as ensuring stable interest income from the bond portfolio.

## Global bond-based investment

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Benchmark: The FTSE World Government Bond Index (unhedged, in yen terms)

### ■ Investment progress in the period

Interest rates fell in major world bond markets. In the first half of the fiscal year, U.S. interest rates were on a declining trend due to concerns over the economic outlook due to the intensifying U.S.-China trade friction. The FRB's preventive interest rate cuts created an ongoing state of poor outlook for rising interest rates from October onward. The global spread of COVID-19 caused a further, sharp decline in interest rates in February and thereafter. From March onward, though there were instances of temporary increases in interest rates due to bond sales as a result of increased demand for funding, the FRB's new unlimited bond-buying plan and other monetary easing policies held interest rates at low levels. The investment results of the fund were positive 4.32% year on year, while the benchmark return stood at positive 4.32%.

### ■ Investment policy for the future

Sony Life will continue investing in countries, that it believes, based on its interest rate analysis, offer higher real interest rates, as well as wider differentials between long-term and short-term interest rates, in addition to a favorable economic environment, aiming to achieve medium- to long-term investment results in excess of the FTSE World Government Bond Index (unhedged, in yen terms).

## Hybrid investment

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### ■ Investment progress in the period

Hybrid investments were made in a diversified manner, primarily comprised of Japanese bonds, Japanese stocks and Exchange Traded Funds (ETF Nikkei 225). These funds registered investment results of negative 3.86% year on year, due to an increase in domestic bond market interest rates (and an associated decline in bond prices) and decline in the domestic stock market.

### ■ Investment policy for the future

Sony Life will continue to actively allocate assets into the classes deemed, based on its analysis of economic/financial circumstances, to offer higher expected returns compared to investment risks over the medium to long term, while earning constant interest income from the Japanese yen-denominated bond portfolio.

## Short-term monetary market-based investment

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Benchmark: Short-term interest rate (unsecured overnight call rate, etc.)

### ■ Investment progress in the period

Investment was focused on bonds with shorter remaining maturities as well as short-term financial instruments, and achieved investment results of negative 0.02% year on year, approximately tracking short-term interest.

### ■ Investment policy for the future

Sony Life will invest primarily in short-term bonds and short-term financial instruments, to secure yields on investments approximately tracking short-term interest.

## ■ Sony Life Performance Indicators (Non-consolidated)

### 8 Status of Individual Variable Life Insurance and Individual Variable Annuities

#### 8-01 Policy amount in force

##### Individual variable life insurance

	2019		2020	
	Number	Amount	Number	Amount
As of March 31,				
Variable life insurance (whole life type)	836,700	7,980,475	830,917	7,601,102
Variable life insurance (limited term type)	152,548	922,336	185,790	1,183,138
Variable life insurance (term type)	12,713	685,553	15,422	859,808
Total	1,001,961	9,588,365	1,032,129	9,644,050

Note: Amounts include the rider portion of variable life insurance.

##### Individual variable annuities

	2019		2020	
	Number	Amount	Number	Amount
As of March 31,				
Individual variable annuities	244,234	1,483,080	361,212	2,256,666

Note: The amount of individual variable annuities is equal to the sum of (a) the funds to be held at the time annuity payments are to commence for policies for which annuity payments have not yet commenced and (b) the amount of policy reserves for policies for which payments have commenced.

#### 8-02 Portfolio of separate account assets in individual variable life insurance and individual variable annuities

	2019		2020	
	Amount	Composition	Amount	Composition
As of March 31,				
Cash and due from banks, call loans	113,749	8.7%	77,863	5.9%
Securities	1,184,185	91.0	1,241,363	93.8
Japanese bonds	147,570	11.3	168,197	12.7
Japanese stocks	20,770	1.6	22,063	1.7
Foreign securities	697,945	53.7	770,376	58.2
Bonds	86,546	6.7	97,351	7.4
Stocks, etc.	611,398	47.0	673,024	50.8
Other securities	317,900	24.4	280,727	21.2
Loans	—	—	—	—
Others	2,766	0.2	4,721	0.4
Reserve for possible loan losses	—	—	—	—
Total	1,300,701	100.0	1,323,948	100.0

Note: Assets relating to individual variable life insurance and individual variable annuities are jointly invested at Sony Life.

## ■ Sony Life Performance Indicators (Non-consolidated)

### 8-03 Net investment gains (losses) of separate account assets in individual variable life insurance and individual variable annuities

For the years ended March 31,	Millions of yen	
	2019	2020
Interest income and dividends	18,913	23,102
Gains on sale of securities	49,662	47,630
Gains on redemption of securities	50	6
Valuation gains on securities	298,688	231,734
Foreign exchange gains, net	—	—
Gains on derivatives, net	—	—
Other investment income	4,453	2,776
Losses on sale of securities	10,171	4,922
Losses on redemption of securities	76	79
Losses on valuation of securities	268,458	339,913
Foreign exchange losses, net	1,983	5,499
Losses on derivatives, net	—	—
Other investment expenses	3,134	826
Net investment gains (losses)	87,944	(45,990)

Note: Assets relating to individual variable life insurance and individual variable annuities are jointly invested at Sony Life.

### 8-04 Fair values of securities relating to separate account assets in individual variable life insurance and individual variable annuities

#### Valuation gains (losses) on trading securities

	Millions of yen			
	2019		2020	
As of March 31,	Balance sheet amount	Net valuation gains (losses) recorded in income	Balance sheet amount	Net valuation gains (losses) recorded in income
Trading securities	1,184,185	30,230	1,241,363	(108,179)

Note: Assets relating to individual variable life insurance and individual variable annuities are jointly invested at Sony Life.

#### Fair value information on money held in trust

Not applicable

#### Fair value information on derivative transactions

Not applicable

## 9 Number of Agencies

As of March 31,	2019	2020
Number of agencies	1,795	1,813

## ■ Sony Life Performance Indicators (Non-consolidated)

### 10 Number of Employees and Recruits

#### 10-01 Number of employees

As of March 31,	2019	2020
Office employees	2,627	2,850
[Male]	[1,266]	[1,368]
[Female]	[1,361]	[1,482]
Sales employees	5,834	5,792
[Male]	[5,674]	[5,641]
[Female]	[160]	[151]

#### 10-02 Number of recruits

For the years ended March 31,	2019	2020
Office employees	490	513
[Male]	[174]	[163]
[Female]	[316]	[350]
Sales employees	434	378
[Male]	[410]	[365]
[Female]	[24]	[13]

#### 10-03 Average age and years of service

As of March 31,	2019		2020	
	Average age	Average years of service	Average age	Average years of service
Office employees	40.8	8.9	41.2	9.1
[Male]	[42.4]	[11.7]	[42.9]	[12.0]
[Female]	[39.4]	[6.4]	[39.7]	[6.5]
Sales employees	44.9	10.3	45.2	11.1
[Male]	[45.0]	[10.5]	[45.3]	[11.3]
[Female]	[39.6]	[3.3]	[40.6]	[4.4]

### 11 Average Salary

#### 11-01 Average salary (office employees)

For the years ended March 31,	Thousands of yen	
	2019	2020
Office employees	382	387

Note: The average monthly salary is the tax-inclusive standard salary in March for each fiscal year, excluding bonuses and overtime pay.

#### 11-02 Average compensation (sales employees)

For the years ended March 31,	Thousands of yen	
	2019	2020
Office employees	756	704

Note: The average monthly compensation is the tax-inclusive compensation in March for each fiscal year, excluding bonuses and commuting allowances.