

**Consolidated Financial Summary (Japanese GAAP)
for the Nine Months Ended December 31, 2018**

February 13, 2019

Company name: Sony Financial Holdings Inc.
(URL: https://www.sonyfh.co.jp/index_en.html)
Stock exchange listing: Tokyo Stock Exchange (code number: 8729)
Representative: Shigeru Ishii, President and Representative Director
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(Fractional amounts of less than ¥1 million are discarded.)

1. Consolidated financial results for the nine months ended December 31, 2018

(1) Operating results

	Ordinary Revenues		Ordinary Profit		Profit Attributable to Owners of the Parent	
	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change
For the nine months ended December 31, 2018	1,129,323	(4.0)	74,026	49.5	50,489	18.8
For the nine months ended December 31, 2017	1,175,843	12.9	49,517	(1.6)	42,486	26.0

Note: Comprehensive income: For the nine months ended December 31, 2018: ¥ 38,572 million: (20.8)%
For the nine months ended December 31, 2017: ¥ 48,694 million: 167.0%

	Net Income per Share	Net Income per Share (Fully Diluted)
	Yen	Yen
For the nine months ended December 31, 2018	116.06	116.04
For the nine months ended December 31, 2017	97.67	97.66

(2) Financial condition

	Total Assets	Total Net Assets	Net Asset Ratio
	Millions of yen	Millions of yen	%
As of December 31, 2018	13,143,923	637,987	4.8
As of March 31, 2018	12,401,446	625,406	5.0

Note: Net assets attributable to shareholders: As of December 31, 2018: ¥ 636,013 million
As of March 31, 2018: ¥ 623,661 million

2. Dividends

Record Date	Dividend per Share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-End	Annual Total
	Yen	Yen	Yen	Yen	Yen
For the year ended March 31, 2018	—	0.00	—	60.00	60.00
For the year ending March 31, 2019	—	0.00	—		
For the year ending March 31, 2019 (forecast)				62.50	62.50

Note: Changes in dividend forecast since the most recent public announcement: None

3. Forecast of consolidated financial results for the year ending March 31, 2019

(Percentage figures represent changes from the results of the previous fiscal year.)

	Ordinary Revenues		Ordinary Profit		Profit Attributable to Owners of the Parent		Net Income per Share
	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change	Yen
For the year ending March 31, 2019	1,530,000	1.8	92,000	37.6	60,000	15.6	137.93

Note: Changes in forecast of financial results since the most recent public announcement: None

4. Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in scope of consolidation): None

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: None

(3) Changes in accounting policies, accounting estimates and restatements of the consolidated financial statements

(a) Changes in accounting policies resulting from the revision of the accounting standards and other regulations: None

(b) Changes in accounting policies due to other reasons: None

(c) Changes in accounting estimates: None

(d) Restatements of the consolidated financial statements: None

(4) Number of shares outstanding (common stock)

(a) Number of shares outstanding (including treasury shares)

As of December 31, 2018: 435,062,983 shares

As of March 31, 2018: 435,027,513 shares

(b) Number of treasury shares

As of December 31, 2018: 35,954 shares

As of March 31, 2018: 35,775 shares

(c) Weighted-average number of shares

For the nine months ended December 31, 2018: 435,013,160 shares

For the nine months ended December 31, 2017: 434,975,717 shares

Status of interim audit procedures

This document is exempt from interim audit procedures by certified public accountants or audit firm.

Content of Supplemental Materials

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* The conference call for explaining the Sony Financial Group's financial results will be held at 15:30 (Tokyo), February 13, 2019. Please note that our conference call will be held only in Japanese.

We will upload the presentation materials with speech text on February 13, 2019 after 15:00, the translation of the conference call (audio) on February 14 and the Q&A summary (text) at a later date on the Earnings Releases and Presentation Materials page of our website:

https://www.sonyfh.co.jp/en/financial_info/results/index.html

* On February 13, 2019, Sony Financial Holdings Inc.'s (SFH's) significant subsidiaries—Sony Life Insurance Co., Ltd. (Sony Life), Sony Assurance Inc. (Sony Assurance) and Sony Bank Inc. (Sony Bank)—will announce their financial results for the nine months ended December 31, 2018. SFH has prepared an English-language summary of those Japanese announcements made by the above subsidiaries, solely for the convenience of non-Japanese readers.

I. Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
Assets		
Cash and due from banks	¥ 327,633	¥ 383,254
Call loans and bills bought	65,500	86,700
Monetary claims purchased	5,378	5,751
Money held in trust	291,582	288,642
Securities	9,581,206	10,140,651
Loans	1,785,877	1,869,284
Tangible fixed assets	106,051	104,691
Intangible fixed assets	35,684	38,732
Due from reinsurers	934	2,052
Foreign exchanges	9,346	11,139
Other assets	168,736	183,398
Net defined benefit asset	3,426	3,660
Deferred tax assets	21,242	27,230
Reserve for possible loan losses	(1,152)	(1,266)
Total Assets	¥ 12,401,446	¥ 13,143,923

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
Liabilities		
Policy reserves and others	¥ 8,763,349	¥ 9,195,757
Reserve for outstanding claims	74,712	76,523
Policy reserves	8,683,153	9,114,084
Reserve for policyholders' dividends	5,484	5,149
Due to agencies	1,873	1,460
Due to reinsurers	5,563	4,946
Deposits	2,159,246	2,280,653
Call money and bills sold	96,000	122,378
Borrowed money	173,944	183,901
Foreign exchanges	228	330
Bonds payable	20,000	20,000
Other liabilities	470,501	610,486
Reserve for employees' bonuses	3,906	2,310
Net defined benefit liability	33,179	33,828
Reserve under the special laws	48,135	49,750
Reserve for price fluctuations	48,135	49,750
Deferred tax liabilities	0	21
Deferred tax liabilities on land revaluation	109	109
Total Liabilities	11,776,039	12,505,936
Net Assets		
Common stock	19,927	19,963
Capital surplus	191,157	191,193
Retained earnings	283,911	308,301
Treasury stock	(55)	(55)
Total shareholders' equity	494,941	519,402
Net unrealized gains (losses) on available-for-sale securities, net of taxes	133,991	121,540
Net deferred gains (losses) on hedging instruments, net of taxes	(902)	(964)
Land revaluation, net of taxes	(2,439)	(2,439)
Remeasurements of defined benefit plans, net of taxes	(1,929)	(1,526)
Total accumulated other comprehensive income	128,719	116,611
Subscription rights to shares	97	133
Non-controlling interests	1,648	1,840
Total Net Assets	625,406	637,987
Total Liabilities and Net Assets	¥ 12,401,446	¥ 13,143,923

2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

(Millions of yen)

	For the nine months ended December 31, 2017	For the nine months ended December 31, 2018
Ordinary Revenues	¥ 1,175,843	¥ 1,129,323
Ordinary Revenues from the Life Insurance Business	1,059,433	1,004,462
Income from insurance premiums	761,351	814,153
Insurance premiums	759,601	812,196
Investment income	253,830	145,506
(Interest income and dividends)	117,415	124,415
(Income from money held in trust, net)	3,364	3,364
(Gains on trading securities, net)	57	—
(Gains on sale of securities)	0	4,581
(Foreign exchange gains, net)	2,804	13,145
(Gains on separate accounts, net)	130,185	—
Other ordinary income	44,251	44,803
Ordinary Revenues from the Non-life Insurance Business	82,421	86,296
Underwriting income	81,062	84,748
(Net premiums written)	81,016	84,699
(Interest and dividends on deposits of premiums)	46	48
Investment income	1,330	1,503
(Interest income and dividends)	1,001	1,025
(Gains on sale of securities)	375	526
(Transfer to interest and dividends on deposits of premiums)	(46)	(48)
Other ordinary income	28	44
Ordinary Revenues from the Banking Business	29,479	33,580
Interest income	21,179	23,598
(Interest income on loans)	12,783	13,036
(Interest income and dividends on securities)	8,340	10,509
Fees and commissions	4,745	6,406
Other operating income	2,855	3,171
Other ordinary income	698	404
Other	4,509	4,984
Other ordinary income	4,509	4,984

(Continued)

(Millions of yen)

	For the nine months ended December 31, 2017	For the nine months ended December 31, 2018
Ordinary Expenses	¥ 1,126,326	¥ 1,055,297
Ordinary Expenses from the Life Insurance Business	1,021,460	946,398
Insurance claims and other payments	328,628	344,334
(Insurance claims)	67,995	69,873
(Annuity payments)	8,817	9,693
(Insurance benefits)	96,742	105,853
(Surrender payments)	146,090	148,589
(Other payments)	2,469	2,811
Provision for policy reserves and others	524,320	423,685
Provision for reserve for outstanding claims	—	431
Provision for policy reserves	524,319	423,253
Interest portion of reserve for policyholders' dividends	0	0
Investment expenses	28,479	32,425
(Interest expenses)	61	1,050
(Losses on trading securities, net)	—	286
(Losses on sale of securities)	0	34
(Losses on valuation of securities)	—	4,026
(Losses on derivatives, net)	23,990	784
(Losses on separates accounts, net)	—	22,800
Operating expenses	102,646	107,039
Other ordinary expenses	37,386	38,913
Ordinary Expenses from the Non-life Insurance Business	76,832	78,332
Underwriting expenses	56,402	58,049
(Net losses paid)	38,534	42,031
(Loss adjustment expenses)	5,574	6,025
(Net commission and brokerage fees)	1,002	934
(Provision for reserve for outstanding losses and claims)	2,524	1,380
(Provision for underwriting reserves)	8,767	7,677
Investment expenses	1	1
Operating, general and administrative expenses	20,409	20,279
Other ordinary expenses	18	3

(Continued)

(Millions of yen)

	For the nine months ended December 31, 2017	For the nine months ended December 31, 2018
Ordinary Expenses from the Banking Business	¥ 22,674	¥ 24,884
Interest expenses	5,789	6,300
(Interest expenses on deposits)	3,926	4,865
(Interest on payables under repurchase agreements)	—	258
Fees and commissions	3,414	4,338
Other operating expenses	83	106
General and administrative expenses	13,317	13,849
Other ordinary expenses	70	288
Other	5,359	5,681
Other ordinary expenses	5,359	5,681
Ordinary Profit	49,517	74,026
Extraordinary Gains	13,258	0
Gains on disposal of fixed assets	13,258	0
Extraordinary Losses	1,597	1,694
Losses on disposal of fixed assets	151	69
Impairment losses	0	10
Provision for reserve under the special laws	1,408	1,614
Provision for reserve for price fluctuations	1,408	1,614
Others	36	—
Provision(Reversal) for Reserve for Policyholders' Dividends	122	(63)
Income Before Income Taxes	61,056	72,395
Income Taxes - Current	21,413	23,153
Income Taxes - Deferred	(2,881)	(1,437)
Total Income Taxes	18,532	21,716
Profit	42,524	50,679
Profit Attributable to Non-controlling Interests	38	190
Profit Attributable to Owners of the Parent	¥ 42,486	¥ 50,489

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	For the nine months ended December 31, 2017	For the nine months ended December 31, 2018
Profit	¥ 42,524	¥ 50,679
Other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities, net of taxes	5,513	(12,451)
Net deferred gains (losses) on hedging instruments, net of taxes	166	(61)
Remeasurements of defined benefit plans, net of taxes	490	404
Total other comprehensive income	6,170	(12,107)
Comprehensive income	¥ 48,694	¥ 38,572
(Details)		
Comprehensive income attributable to owners of the parent	48,654	38,380
Comprehensive income attributable to non-controlling interests	39	191

3. Note on Going Concern

Not applicable.

4. Material Changes in Stockholders' Equity

Not applicable.

5. Changes in Significant Subsidiaries during the Period

Not applicable.

Although specified subsidiaries have not changed, Sony Financial Ventures Inc., a subsidiary that invests in venture companies, was established and entered the scope of consolidation in the first half of the fiscal year ending March 31, 2019. The company's results are included in the "other" category in the consolidated statements of income.

6. Segment Information

(1) Segment information by reportable segment

For the nine months ended December 31, 2017

	Millions of yen					
	Life insurance business	Non-life insurance business	Banking business	Total	Other	Total
Ordinary revenues						
External customers	¥ 1,059,433	¥ 82,421	¥ 29,479	¥ 1,171,334	¥ 4,509	¥ 1,175,843
Intersegment	2,750	0	165	2,917	—	2,917
Total	1,062,183	82,422	29,645	1,174,251	4,509	1,178,760
Segment profit	¥ 40,230	¥ 5,039	¥ 5,078	¥ 50,348	¥ (851)	¥ 49,497

(Note) “Other” consists of the nursing care business, which is not a reportable segment.

For the nine months ended December 31, 2018

	Millions of yen					
	Life insurance business	Non-life insurance business	Banking business	Total	Other	Total
Ordinary revenues						
External customers	¥ 1,004,462	¥ 86,296	¥ 33,580	¥ 1,124,339	¥ 4,984	¥ 1,129,323
Intersegment	2,152	0	186	2,340	—	2,340
Total	1,006,615	86,296	33,767	1,126,679	4,984	1,131,663
Segment profit	¥ 60,160	¥ 7,394	¥ 7,043	¥ 74,597	¥ (697)	¥ 73,899

(Note) “Other” consists of the nursing care business and venture capital operations, which is not a reportable segment.

(2) Reconciliations of the totals of reportable segments’ profit to quarterly consolidated statement of income

	Millions of yen			
	For the nine months ended December 31, 2017		For the nine months ended December 31, 2018	
Totals of reportable segments	¥	50,348	¥	74,597
Other		(851)		(697)
Adjustments for intersegment transactions		(133)		—
Amount not allocated to reportable segments		153		126
Ordinary profit in quarterly consolidated statement of income	¥	49,517	¥	74,026

(3) Information on impairment loss on fixed assets and goodwill by reportable segment

Not applicable.

SFH's consolidated results* are prepared in accordance with Japanese GAAP. As such, these figures differ in significant respects from the financial information reported by Sony Corporation, SFH's parent company, which prepares its financial statements in accordance with U.S. GAAP.

* SFH's scope of consolidation includes following companies:

Sony Financial Holdings Inc.
Sony Life Insurance Co. Ltd.
Sony Assurance Inc.
Sony Bank Inc.
Sony Payment Services Inc.
SmartLink Network Hong Kong Limited.
Sony Lifecare Inc.
Lifecare Design Inc.
Proud Life Inc.**
Sony Financial Ventures Inc.**

Affiliated companies accounted for under the equity method:

AEGON Sony Life Insurance Co., Ltd.
SA Reinsurance Ltd.

** Proud Life Inc. is included in the scope of consolidation from the second quarter ended September 30, 2017.

Sony Financial Ventures Inc. is included in the scope of consolidation from the second quarter ended September 30, 2018.

Statements made in this press release concerning the current plans, expectations, strategies and beliefs of the Sony Financial Group. Any statements contained herein that are not historical facts are forward-looking statements or pro forma information. Forward-looking statements may include-but are not limited to-words such as "believe," "anticipate," "plan," "strategy," "expect," "assume," "forecast," "predict," "propose," "intend" and "possibility" that describe future operating activities, business performance, events or conditions. Forward-looking statements, whether spoken or written, may also be included in other materials released to the public. These forward-looking statements and pro forma information are based on assumptions, decisions and judgments made by the management of Sony Financial Group companies, and are based on information that is currently available to them. As such, they are subject to various risks and uncertainties, and actual business results may vary substantially from the forecasts expressed or implied in forward-looking statements. Consequently, investors are cautioned not to place undue reliance on forward-looking statements. Sony Financial Group companies are under no obligation to revise forward-looking statements or pro forma information in light of new information, future events or other findings. The information contained in this press release does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe to any securities, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever in Japan or abroad.

II. Attachment

Content of Presentation Material

Consolidated Financial Results for the Nine Months Ended December 31, 2018 and Sony Life's MCEV as of December 31, 2018

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Presentation Material

Consolidated Financial Results for the Nine Months Ended December 31, 2018 and Sony Life's MCEV as of December 31, 2018

Sony Financial Holdings Inc.
February 13, 2019

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Disclaimers:

This presentation material contains statements concerning the current plans, expectations, strategies and beliefs of the Sony Financial Group. Any statements contained herein that are not historical facts are forward-looking statements or pro forma information. Forward-looking statements may include—but are not limited to—words such as “believe,” “anticipate,” “plan,” “strategy,” “expect,” “assume,” “forecast,” “predict,” “propose,” “intend” and “possibility” that describe future operating activities, business performance, events or conditions. Forward-looking statements, whether spoken or written, may also be included in other materials released to the public. These forward-looking statements and pro forma information are based on assumptions, decisions and judgments made by the management of Sony Financial Group companies, and are based on information that is currently available to them. As such, they are subject to various risks and uncertainties, and actual business results may vary substantially from the forecasts expressed or implied in forward-looking statements. Consequently, investors are cautioned not to place undue reliance on forward-looking statements. Sony Financial Group companies are under no obligation to revise forward-looking statements or pro forma information in light of new information, future events or other findings. The information contained in this presentation does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe to any securities, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever in Japan or abroad.

*Unless otherwise indicated, in these materials figures less than the indicated unit have been truncated, while ratios and percentage changes have been rounded.

Also, a “-” is used where percentage changes exceed 1,000% and in cases where one or both comparisons are negative.

*“Lifeplanner” is a registered trademark of Sony Life.

Consolidated Operating Results for the Nine Months Ended December 31, 2018 <FY18.3Q (9M)>

Highlights of Consolidated Financial Results

- FY18.3Q (9M) consolidated financial results: Revenues down 4.0%, profits up 49.5% YoY.
- Ordinary revenues: Down, mainly due to a worsening of gains from investment in separate accounts in the life insurance business. Revenues increased in the non-life insurance and the banking businesses.
- Ordinary profit: Up, due to increases in each area of business: life insurance, non-life insurance and banking business.

- Sales performance: All three businesses continued to expand steadily.
At Sony Life, the new policy amount steadily increased, owing to the favorable acquisition of family income insurance policies.

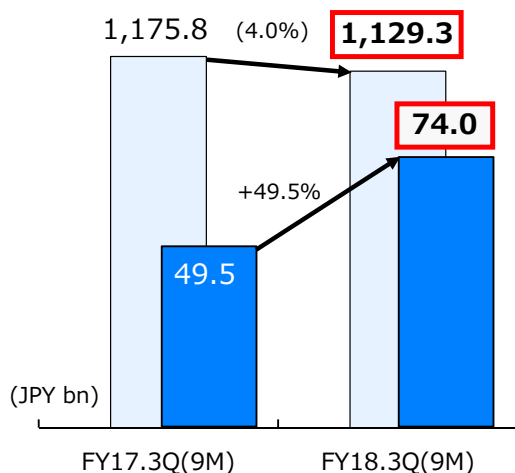
- Full-year forecasts: We have revised our forecasts from the figures announced on April 27, 2018, mainly because of deviations in the life insurance business from our initial expectations for FY18.3Q (9M).
- Ordinary revenues: Revised to ¥1,530.0 billion (down 3.0% from previous forecast)
- Ordinary profit: Revised to ¥92.0 billion (up 10.8% from previous forecast)
- Profit attributable to owners of the parent: Revised to ¥60.0 billion (up 9.1% from previous forecast)

- Indicators based on economic value:
 - On December 31, 2018, MCEV was ¥1,664.6 billion. The QoQ decrease was attributable to a decline in the yen interest rate.
 - New business value in FY18.3Q (3M) was ¥23.7 billion. The QoQ increase was due to the steady acquisition of new policies.

Highlights of Consolidated Operating Performance

<Consolidated>

- Ordinary revenues
- Ordinary profit



		(JPY bn)	FY17.3Q (9M)	FY18.3Q (9M)	Change	
Life insurance business	Ordinary revenues		1,062.1	1,006.6	(55.5)	(5.2%)
	Ordinary profit		40.2	60.1	+19.9	+49.5%
Non-life insurance business	Ordinary revenues		82.4	86.2	+3.8	+4.7%
	Ordinary profit		5.0	7.3	+2.3	+46.7%
Banking business	Ordinary revenues		29.6	33.7	+4.1	+13.9%
	Ordinary profit		5.0	7.0	+1.9	+38.7%
Intersegment adjustments*	Ordinary revenues		1.5	2.6	+1.0	+66.1%
	Ordinary profit		(0.8)	(0.5)	+0.2	-
Consolidated	Ordinary revenues		1,175.8	1,129.3	(46.5)	(4.0%)
	Ordinary profit		49.5	74.0	+24.5	+49.5%
	Profit attributable to owners of the parent		42.4	50.4	+8.0	+18.8%

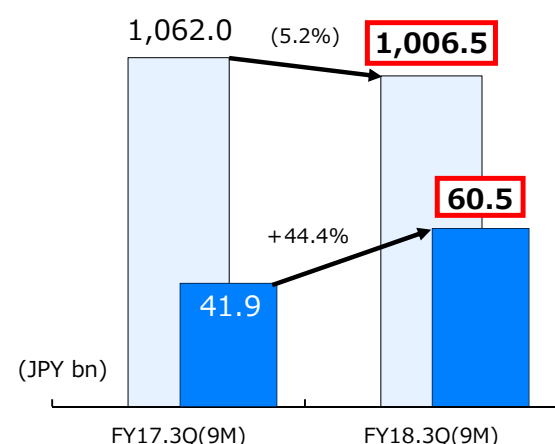
*"Intersegment adjustments" is from SFH, the nursing care business, and the venture capital business. Proud Life Inc. and Sony Financial Ventures Inc. are included in the scope of consolidation from FY17.2Q and FY18.2Q, respectively.

(Note) Comprehensive income : FY17.3Q(9M): ¥48.6 billion, FY18.3Q(9M): ¥38.5 billion

		(JPY bn)	Mar. 18	Dec. 18	Change from Mar. 18	
Consolidated	Net assets		625.4	637.9	+12.5	+2.0%
	Total assets		12,401.4	13,143.9	+742.4	+6.0%

Highlights of Operating Performance: Sony Life (Non-consolidated)

- Ordinary revenues
- Ordinary profit



- ◆ Ordinary revenues decreased but ordinary profit increased year on year.
- ◆ Income from insurance premiums increased due mainly to a steady rise in the policy amount in force.
- ◆ Investment income decreased due mainly to a deterioration in investment performance in the separate account.
- ◆ Ordinary profit increased year on year due to an improvement in net gains (losses) on derivative transactions to hedge market risks for available-for-sale securities and a recording of gains on sale of securities, both in the general account, and increase in profit on higher policies in force, and a decline in provision of policy reserves for products with higher surrenders, which more than offset the effect of an impairment loss relating to available-for sale securities in the general account.

		(JPY bn)	FY17.3Q(9M)	FY18.3Q(9M)	Change	
Ordinary revenues			1,062.0	1,006.5	(55.5)	(5.2%)
Income from insurance premiums			762.8	815.8	+52.9	+6.9%
Investment income			254.3	145.4	(108.8)	(42.8%)
Interest income and dividends			117.7	124.4	+6.6	+5.6%
Gains on sale of securities			0.0	4.5	+4.5	-
Foreign exchange gains, net			2.8	13.1	+10.3	+368.8%
Gains on separate accounts, net			130.1	-	(130.1)	(100.0%)
Ordinary expenses			1,020.1	945.9	(74.1)	(7.3%)
Insurance claims and other payments			328.6	344.3	+15.7	+4.8%
Provision for policy reserves and others			524.3	423.6	(100.6)	(19.2%)
Investment expenses			28.6	32.4	+3.7	+13.0%
Devaluation losses on securities			-	4.0	+4.0	-
Losses on derivatives, net			23.9	0.7	(23.2)	(96.7%)
Losses on separate accounts, net			-	22.7	+22.7	-
Operating expenses			102.9	107.1	+4.2	+4.1%
Ordinary profit			41.9	60.5	+18.6	+44.4%
Gains on disposal of fixed assets			13.2	-	(13.2)	(100.0%)
Net income			37.5	41.5	+4.0	+10.7%
		(JPY bn)	Mar. 18	Dec. 18	Change from Mar. 18	
Securities			8,765.9	9,274.4	+508.4	+5.8%
Policy reserves			8,566.0	8,989.3	+423.2	+4.9%
Net assets			492.7	500.0	+7.2	+1.5%
Net unrealized gains on other securities			124.9	116.8	(8.1)	(6.5%)
Total assets			9,567.6	10,113.2	+545.5	+5.7%
Separate account assets			1,128.8	1,167.2	+38.4	+3.4%

Overview of Operating Performance: Sony Life (Non-consolidated)

(JPY bn)	FY17.3Q (9M)	FY18.3Q (9M)	Change
New policy amount	3,445.4	4,595.3	+33.4%
Lapse and surrender amount	1,330.3	2,222.2	+67.0%
Lapse and surrender rate	2.94%	4.71%	+1.77pt
Annualized premiums from new policies	51.9	56.9	+9.8%
Of which, third-sector products	9.3	11.1	+19.3%
(JPY bn)	FY17.3Q (9M)	FY18.3Q (9M)	Change
Gains from investment, net (General account)	95.4	135.8	+42.3%
Core profit	70.6	63.7	(9.8%)
Positive spread	13.9	14.0	+0.7%
(JPY bn)	Mar. 18	Dec. 18	Change From Mar. 18
Policy amount in force	47,253.4	48,894.0	+3.5%
Annualized premiums from insurance in force	848.8	871.1	+2.6%
Of which, third-sector products	191.8	196.0	+2.2%
Non-consolidated solvency margin ratio	2,624.3%	2,684.7%	+60.4pt

<Reasons for changes>

◆ Increased due to favorable sales of family income insurance.

◆ Increased due to cancellations of existing policies from certain customers taking out new policies such as family income insurance. This shift resulted from premium revisions, owing to the revision of the standard mortality tables.

◆ Increased due to favorable sales of individual annuities and U.S. dollar-denominated insurance.

◆ Decreased due to an increase in the provision of policy reserves for minimum guarantees for variable life insurance in line with worsened financial market conditions, which more than offset an increase in profit on higher policies in force and a decline in provision of policy reserves for products with higher surrenders.

Note: Figures for new policy amount, lapse and surrender amount, lapse and surrender rate, annualized premiums from new policies, policy amount in force, and annualized premiums from insurance in force are calculated as the total of individual life insurance and individual annuities. The lapse and surrender rate shows the ratio derived by dividing the amount of lapses and surrenders, not adjusted for policy amount decreases, increases, and reinstatements, by the policy amount in force at the beginning of the fiscal year.

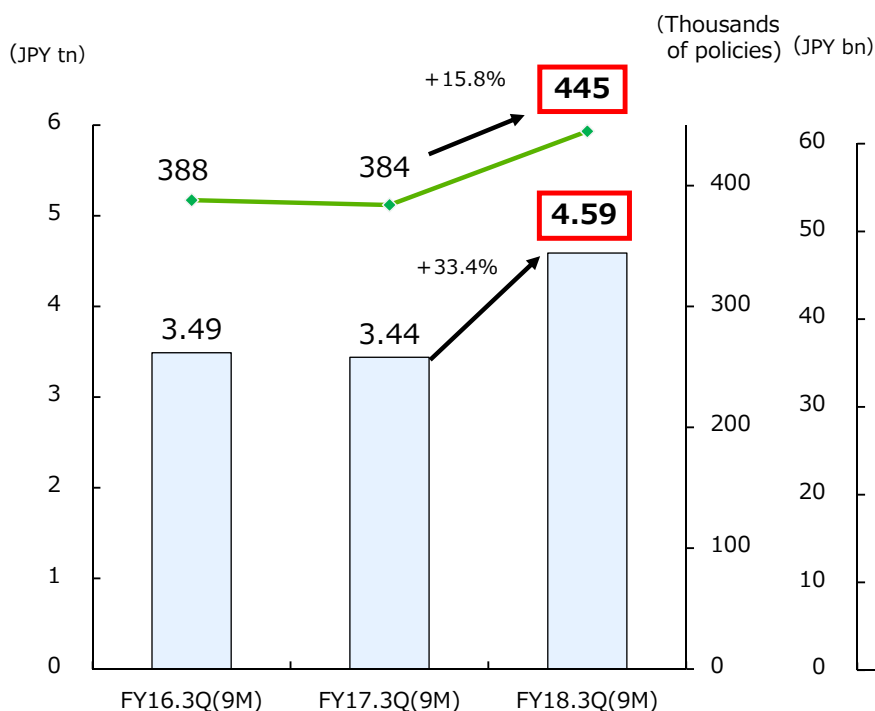
Operating Performance : Sony Life (Non-consolidated) (1)

Number and Amount of New Policies (Individual Life Insurance + Individual Annuities)

Annualized Premiums from New Policies (Individual Life Insurance + Individual Annuities)

□ New policy amount — Number of new policies

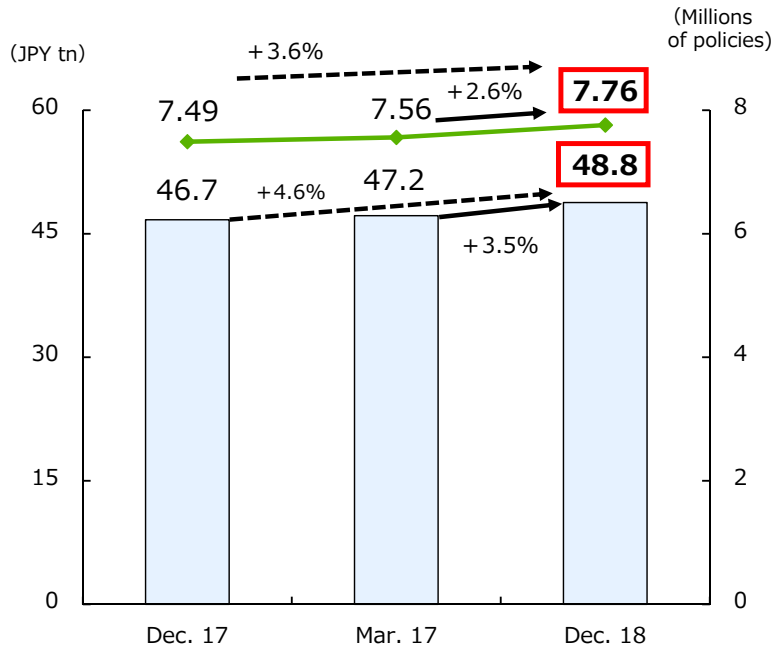
■ Annualized premiums from new policies □ Of which, third-sector



Operating Performance : Sony Life (Non-consolidated) (2)

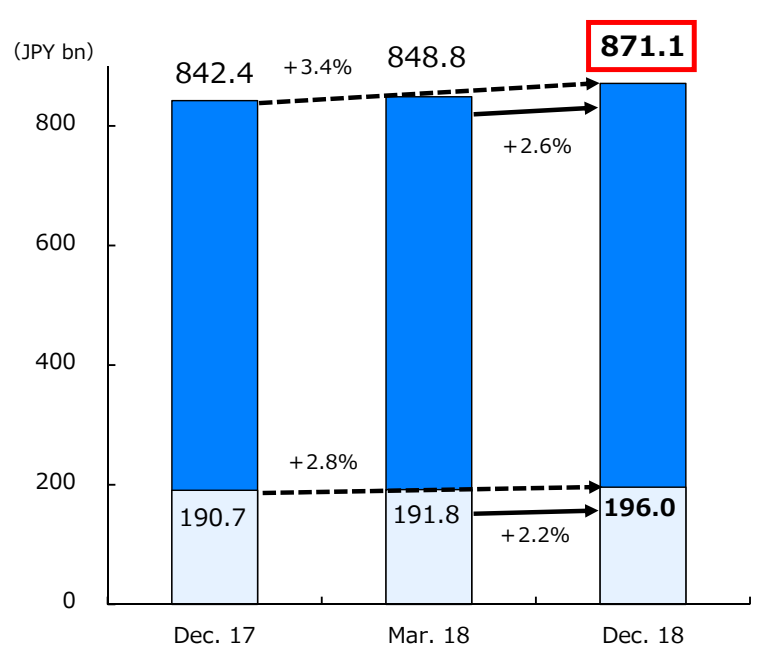
Number and Amount of Policies in Force (Individual Life Insurance + Individual Annuities)

□ Policy amount in force ◆ Number of policies in force



Annualized Premiums from Insurance in Force (Individual Life Insurance + Individual Annuities)

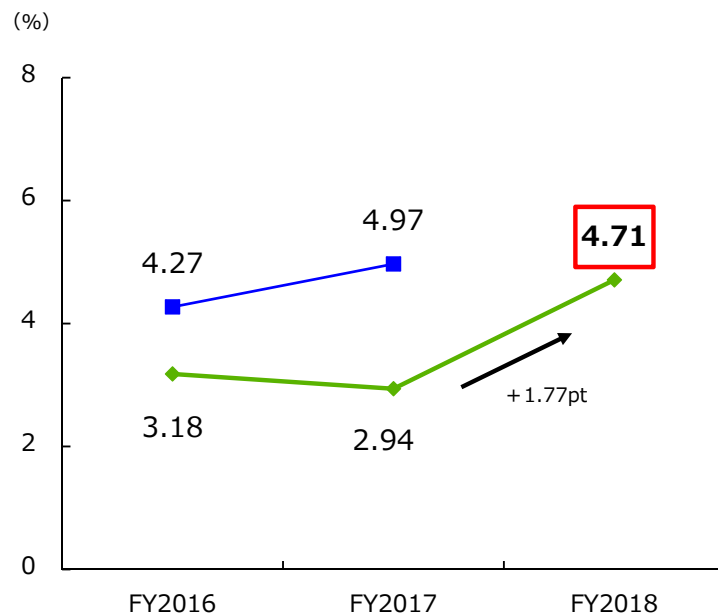
■ Annualized premiums from insurance in force □ Of which, third-sector



Operating Performance : Sony Life (Non-consolidated) (3)

Lapse and Surrender Rate* (Individual Life Insurance + Individual Annuities)

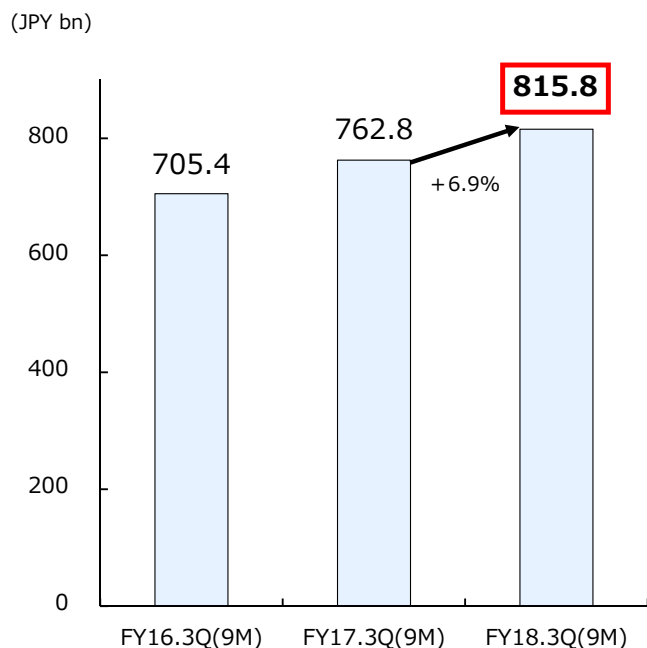
■ Lapse and surrender rate (Annual) ◆ Lapse and surrender rate (9M)



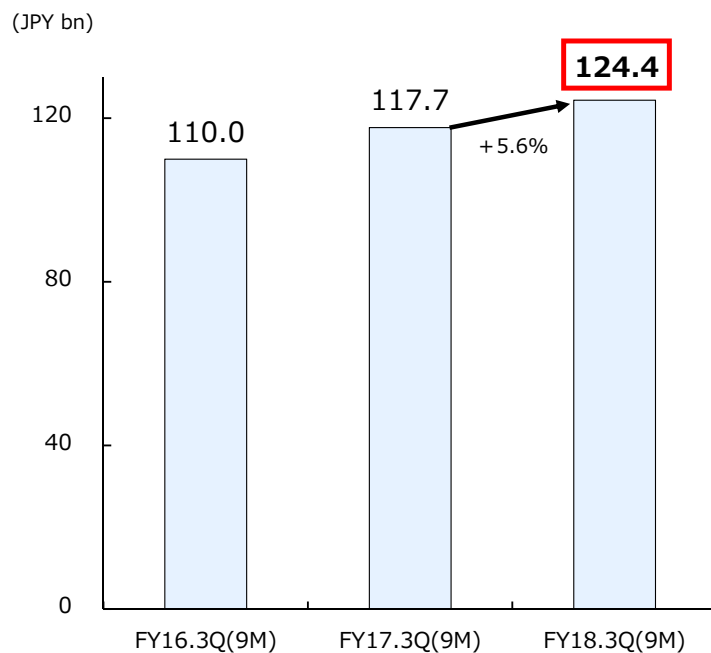
*The lapse and surrender rate shows the ratio derived by dividing the amount of lapses and surrenders, not adjusted for policy amount decreases, increases, and reinstatements, by the policy amount in force at the beginning of the fiscal year.

Operating Performance : Sony Life (Non-consolidated) (4)

Income from Insurance Premiums

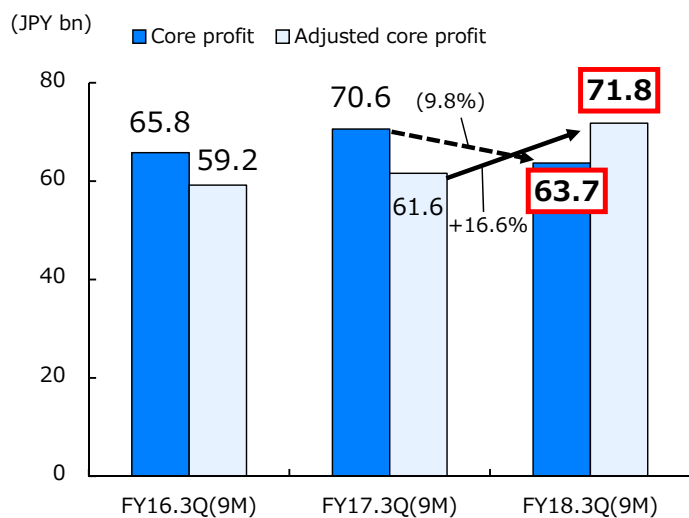


Interest Income and Dividends

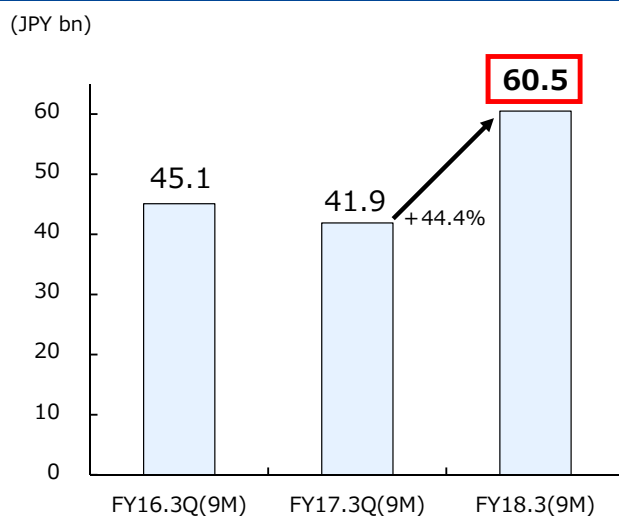


Operating Performance : Sony Life (Non-consolidated) (5)

Core Profit



Ordinary Profit



(Reference) Impact on core profit

(JPY bn)	FY16.3Q(9M)	FY17.3Q(9M)	FY18.3Q(9M)
Positive spread	11.1	13.9	14.0
Provision of policy reserves for minimum guarantees for variable life insurance (*)	(4.5)	(4.8)	(22.1)
Adjusted core profit (**)	59.2	61.6	71.8

(Reference) Main differences from core profit

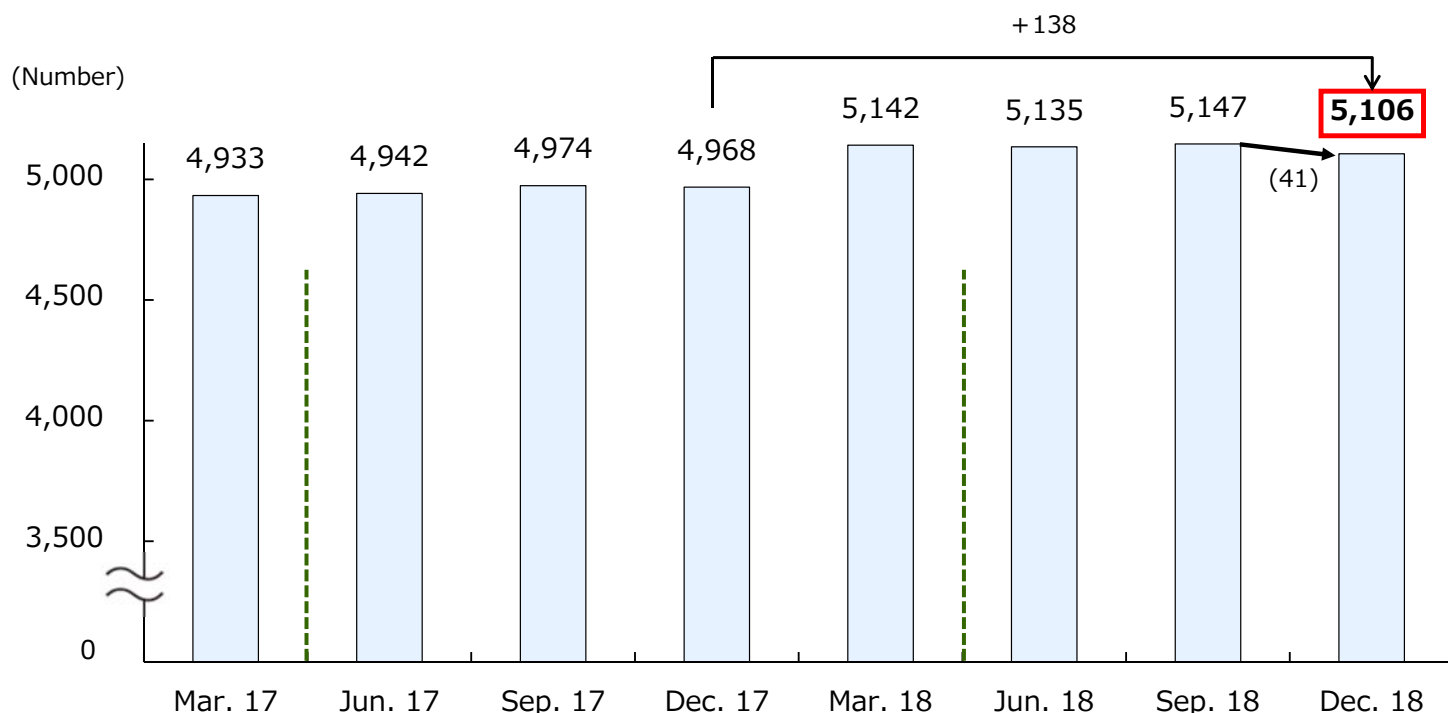
(JPY bn)	FY16.3Q(9M)	FY17.3Q(9M)	FY18.3Q(9M)
Capital gains (losses) excluding gains or losses on hedges (*)	0.0	(9.4)	1.6
Gains (losses) on hedges of variable life insurance	(14.2)	(13.5)	1.6
Provision of contingency reserve (*)	(6.2)	(5.6)	(6.3)

**Provision of policy reserves for minimum guarantees for variable life insurance" and "Provision of contingency reserve" are described as negative amount.

Capital gains (losses) exclude gains or losses on hedges of variable life insurance.

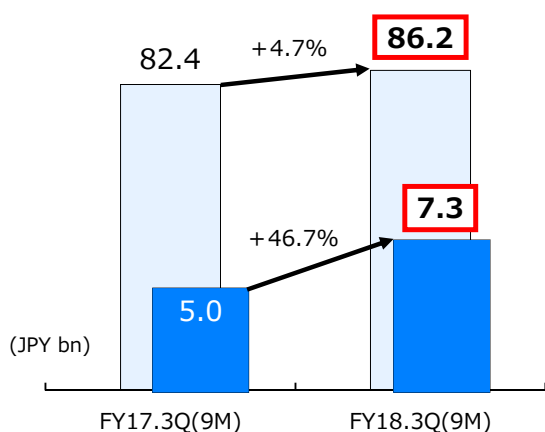
**Adjusted core profit = (Core profit) - (Positive spread) - (Provision of policy reserves for minimum guarantees for variable life insurance)

Number of Lifepanner Sales Employees



Highlights of Operating Performance:
Sony Assurance

□ Ordinary revenues ■ Ordinary profit



- ◆ Both ordinary revenues and ordinary profit increased year on year.
- ◆ Ordinary revenues expanded owing to an increase in net premium written for mainstay automobile insurance.
- ◆ Ordinary profit increased year on year due mainly to a decline in the net expense ratio and the effect of higher revenues.

(JPY bn)	FY17.3Q (9M)	FY18.3Q (9M)	Change	
Ordinary revenues	82.4	86.2	+3.8	+4.7%
Underwriting income	81.0	84.7	+3.6	+4.5%
Investment income	1.3	1.5	+0.1	+13.0%
Ordinary expenses	77.3	78.9	+1.5	+2.0%
Underwriting expenses	56.7	58.4	+1.6	+2.9%
Operating general and administrative expenses	20.6	20.4	(0.1)	(0.7%)
Ordinary profit	5.0	7.3	+2.3	+46.7%
Net income	3.6	5.2	+1.6	+44.3%

(JPY bn)	Mar. 18	Dec. 18	Change from Mar. 18	
Underwriting reserves	117.0	124.7	+7.6	+6.6%
Net assets	33.1	35.3	+2.1	+6.5%
Total assets	204.3	210.4	+6.1	+3.0%

Overview of Operating Performance: Sony Assurance

(JPY bn)	FY17.3Q(9M)	FY18.3Q(9M)	Change
Direct premiums written	80.0	83.9	+4.8%
Net premiums written	81.0	84.6	+4.5%
Net losses paid	38.5	42.0	+9.1%
Underwriting profit	3.7	5.9	+58.3%
Net loss ratio	54.4%	56.7%	+2.3pt
Net expense ratio	27.1%	25.7%	(1.4pt)
Combined ratio	81.5%	82.4%	+0.9pt

<Reasons for changes>

- ◆ Steadily increased in its mainstay automobile insurance.
- ◆ Rose due to higher insurance payments driven by natural disasters.
- ◆ Declined due mainly to a decrease in system-related expenses.

Notes:
Net loss ratio = (Net losses paid + Loss adjustment expenses) / Net premiums written
Net expense ratio = Expenses related to underwriting / Net premiums written

	FY17.3Q(9M)	FY18.3Q(9M)	Change
E. I. loss ratio	61.8%	61.5%	(0.3pt)
E. I. loss ratio + Net expense ratio	88.9%	87.2%	(1.7pt)

- ◆ Declines due mainly to a decrease in provision for reserve for outstanding losses.

Note: E.I. loss ratio = (Net losses paid + Provision for reserve for outstanding losses + Loss adjustment expenses) / Earned premiums
[Earthquake insurance and compulsory automobile liability insurance are excluded from the above calculation.]

	Mar. 18	Dec. 18	Change from Mar. 18
Non-consolidated solvency margin ratio	782.1%	872.5%	+90.4pt

Sony Assurance's Underwriting Performance by Type of Policy

Direct Premiums Written

(JPY mn)	FY17.3Q (9M)	FY18.3Q (9M)	Change
Fire	148	244	+64.5%
Marine	—	—	—
Personal accident	6,515	6,576	+0.9%
Voluntary automobile	73,379	77,103	+5.1%
Compulsory automobile liability	—	—	—
Total	80,043	83,924	+4.8%

Net Premiums Written

(JPY mn)	FY17.3Q (9M)	FY18.3Q (9M)	Change
Fire	11	68	+502.5%
Marine	0	(0)	—
Personal accident	6,671	6,653	(0.3%)
Voluntary automobile	73,200	76,865	+5.0%
Compulsory automobile liability	1,132	1,110	(1.9%)
Total	81,016	84,699	+4.5%

Net losses paid

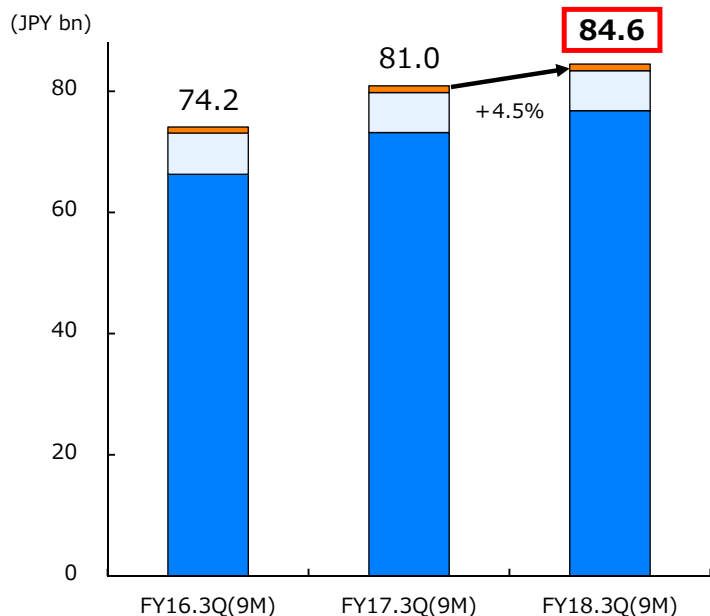
(JPY mn)	FY17.3Q (9M)	FY18.3Q (9M)	Change
Fire	5	11	+102.0%
Marine	2	10	+273.5%
Personal accident	2,029	2,218	+9.3%
Voluntary automobile	35,501	38,760	+9.2%
Compulsory automobile liability	995	1,030	+3.5%
Total	38,534	42,031	+9.1%

*Medical insurance is included in personal accident.

Operating Performance: Sony Assurance (1)

Net Premiums Written and Number of Policies in Force

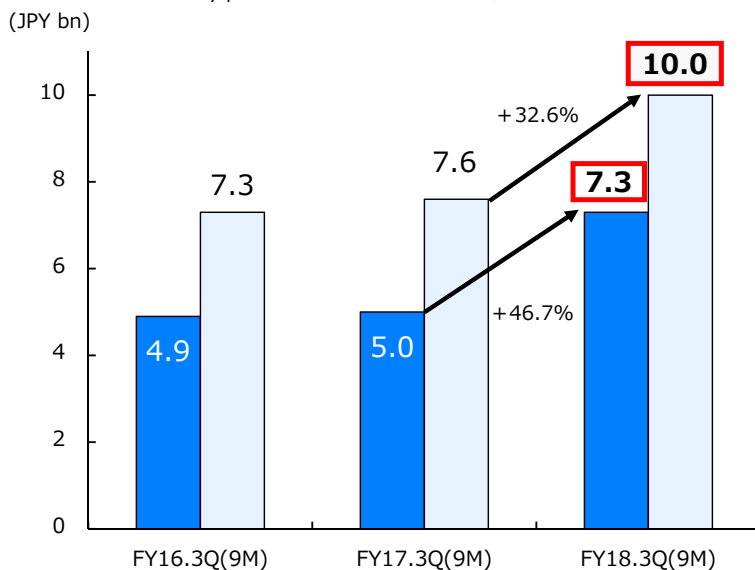
■ Voluntary automobile insurance □ Personal accident insurance
■ Others



Note: Most of personal accident insurance is medical insurance.

Ordinary Profit and Adjusted Ordinary Profit

■ Ordinary profit □ Adjusted ordinary profit



*Adjusted ordinary profit = Ordinary profit + Provision for catastrophe reserve
(Reference) Provision for catastrophe reserve

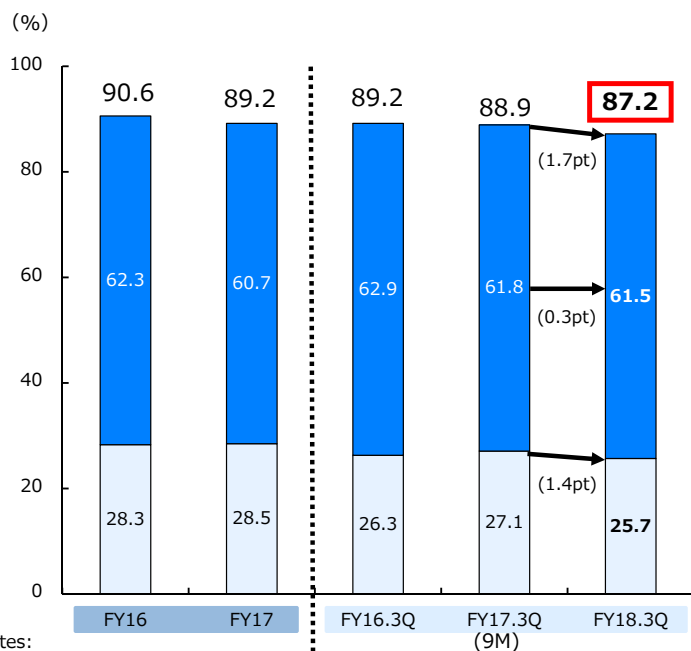
(JPY bn)	FY16.3Q (9M)	FY17.3Q (9M)	FY18.3Q (9M)
Provision for catastrophe reserve	2.3	2.5	2.6

*Provision for catastrophe reserve is described as positive amount.

Operating Performance: Sony Assurance (2)

Earned/Incurred Loss Ratio + Net Expense Ratio

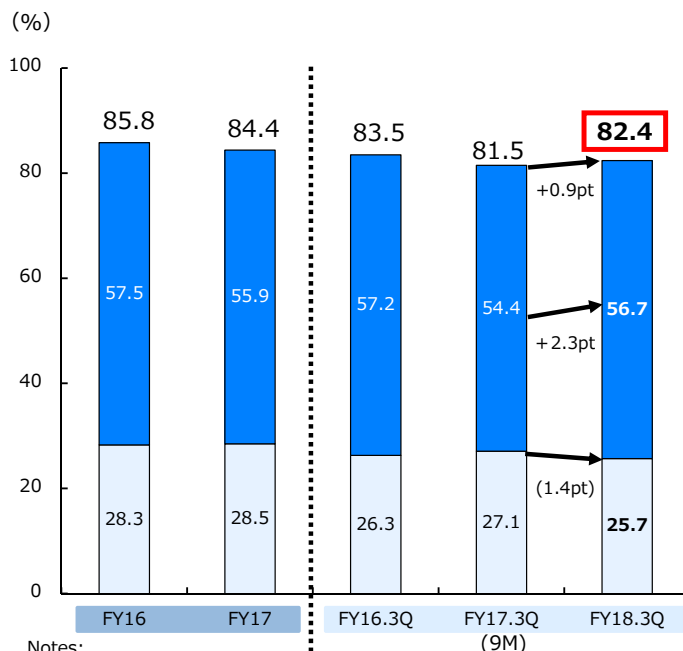
■ Earned/Incurred loss ratio □ Net expense ratio



Notes:
Earned/Incurred loss ratio = (Net losses paid + Provision for reserve for outstanding losses + Loss adjustment expenses) / Earned premiums
[Earthquake insurance and compulsory automobile liability insurance are excluded from the above calculation.]

(Reference) Combined Ratio (Net Loss Ratio + Net Expense Ratio)

■ Net loss ratio □ Net expense ratio

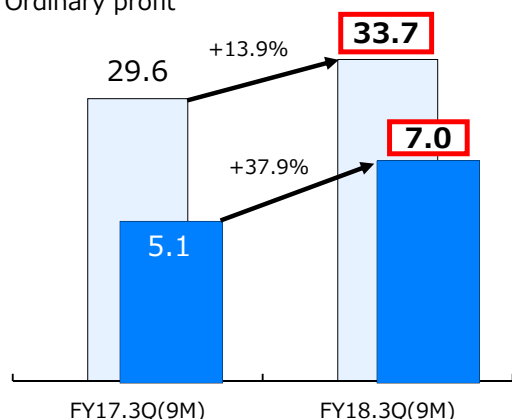


Notes:
Net loss ratio = (Net losses paid + Loss adjustment expenses) / Net premiums written
Net expense ratio = Expenses related to underwriting / Net premiums written

Highlights of Operating Performance: Sony Bank (Consolidated/Non-consolidated)

<Consolidated>

- Ordinary revenues
- Ordinary profit



<Consolidated>

◆ Both ordinary revenues and ordinary profit rose year on year due to increases in interest income on investment securities and on loans in line with a growing balance of mortgage loans.

<Non-consolidated>

◆ Both gross operating profit and net operating profit increased.
Net interest income increased due to increased in interest income on investment securities and loans.

<Consolidated>

(JPY bn)	FY17.3Q (9M)	FY18.3Q (9M)	Change	
Ordinary revenues	29.6	33.7	+4.1	+13.9%
Ordinary profit	5.1	7.0	+1.9	+37.9%
Profit attributable to owners of the parent	3.3	4.6	+1.3	+40.3%

<Non-consolidated>

(JPY bn)	FY17.3Q (9M)	FY18.3Q (9M)	Change	
Ordinary revenues	26.9	30.5	+3.6	+13.4%
Gross operating profit	15.6	17.9	+2.3	+14.9%
Net interest income	15.3	17.2	+1.8	+12.4%
Net fees and commissions	(2.4)	(2.3)	+0.1	-
Net other operating income	2.7	3.0	+0.2	+10.8%
General and administrative expenses	11.6	11.7	+0.0	+0.8%
Net operating profit	4.0	6.2	+2.1	+53.8%
Ordinary profit	4.6	6.3	+1.7	+37.6%
Net income	3.1	4.4	+1.2	+40.3%

(JPY bn)	Mar. 18	Dec. 18	Change from Mar. 18	
Net assets	85.7	84.1	(1.5)	(1.8%)
Net unrealized gains on other securities, net of taxes	6.0	2.3	(3.6)	(60.8%)
Total assets	2,635.0	2,815.8	+180.8	+6.9%

Overview of Operating Performance: Sony Bank (Non-consolidated) (1)

(JPY bn)	Dec. 17	Mar. 18	Dec. 18	Change from Mar. 18	
Customer assets	2,338.2	2,343.0	2,453.6	+110.5	+4.7%
Deposits	2,213.4	2,219.3	2,336.6	+117.2	+5.3%
Yen	1,847.0	1,814.7	1,931.5	+116.8	+6.4%
Foreign currencies	366.4	404.6	405.0	+0.4	+0.1%
Investment trusts	124.7	123.7	117.0	(6.7)	(5.4%)
Loans outstanding	1,573.8	1,596.3	1,673.5	+77.2	+4.8%
Mortgage loans	1,495.2	1,525.5	1,613.0	+87.4	+5.7%
Card loans	18.6	18.8	18.3	(0.5)	(2.9%)
Others	59.9	51.8	42.2 ^{*1}	(9.6)	(18.6%)
Non-consolidated capital^{*2} Adequacy ratio (domestic standard)	9.46%	10.45%	10.34%	(0.11pt)	

<Reasons for changes>

◆ Increased due mainly to an increase in newly accumulated funds via the increased number of accounts, as well as a conversion from foreign currencies backed by yen depreciation.

◆ Decreased due to a conversion and a transfer from foreign ordinary deposits into yen deposits led by yen depreciation, despite an increase in foreign currency time deposits.

◆ Rose due to a steady increase in mortgage loans.

*1 Loans in others include corporate loans of ¥42.2 billion

*2 Please refer to the graph of the non-consolidated capital adequacy ratio (domestic standard) on page 23.

Overview of Operating Performance: Sony Bank (Non-consolidated) (2)

<Reference> On Managerial Accounting Basis

(JPY bn)	FY17.3Q (9M)	FY18.3Q (9M)	Change	
Gross operating profit	15.6	17.9	+2.3	+15.0%
Net interest income* ¹ ①	17.0	18.9	+1.8	+11.1%
Net fees and commissions* ² ②	(2.1)	(1.9)	+0.1	—
Net other operating income* ³	0.6	0.9	+0.2	+43.3%
Gross operating profit (core profit)(A) = ① + ②	14.9	16.9	+2.0	+13.7%
Operating expenses and other Expenses ③	11.6	11.7	+0.1	+1.4%
Net operating profit (core profit) = (A) - ③	3.3	5.2	+1.8	+56.7%

■ Managerial accounting basis

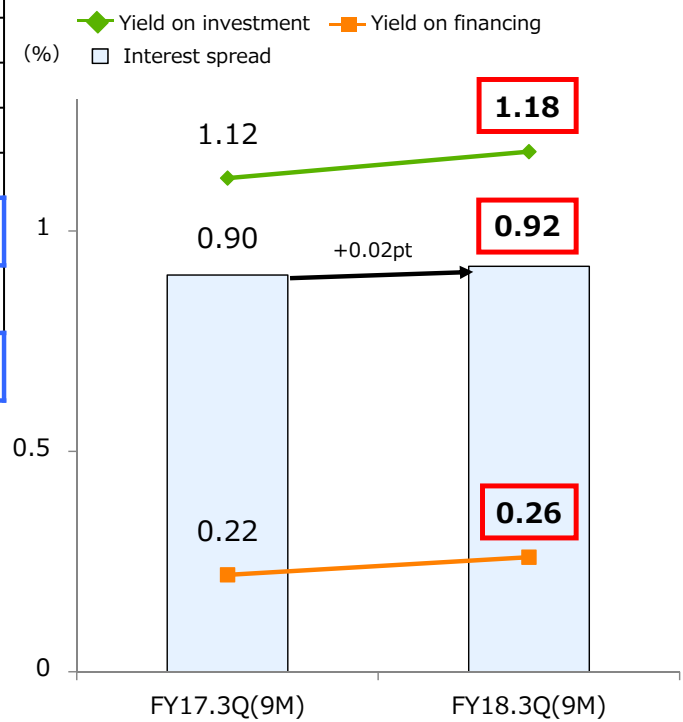
The following adjustments are made to the figures on a financial account for profits and losses more appropriately.

- *1: Net interest income: Includes profits and losses associated with fund investment recorded in net other operating income, including gains or losses from currency swap transactions.
- *2: Net fees and commissions: Includes profits and losses for customer dealings in foreign currency transactions recorded in net other operating income.
- *3: Net other operating income: After the above adjustments (*1 and *2), mainly consists of profits and losses for bond and derivative dealing transactions.

■ Core profit

Profits and losses exclude net other operating income, which includes those on bond and derivative dealing transactions, and stands for Sony Bank's basic profits.

<Reference> Interest Spread (Managerial Accounting Basis)

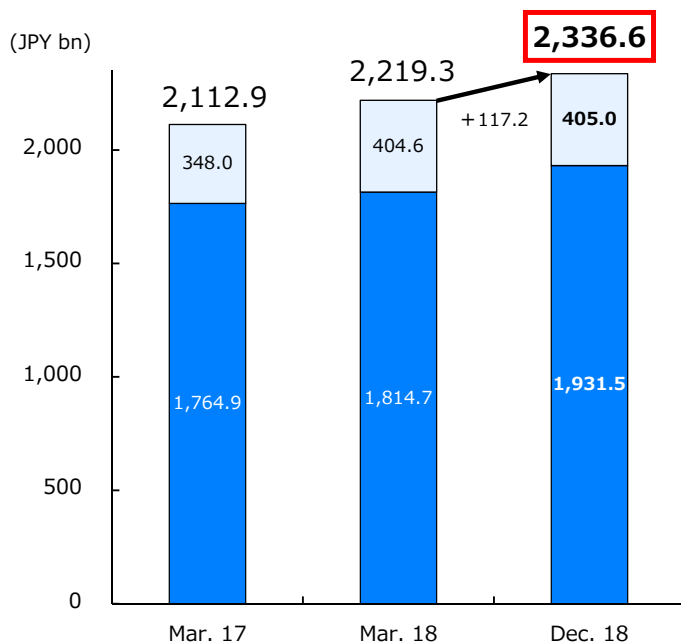


Note: Interest spread=(Yield on investment)-(Yield on financing)

Operating Performance: Sony Bank (Non-consolidated) (1)

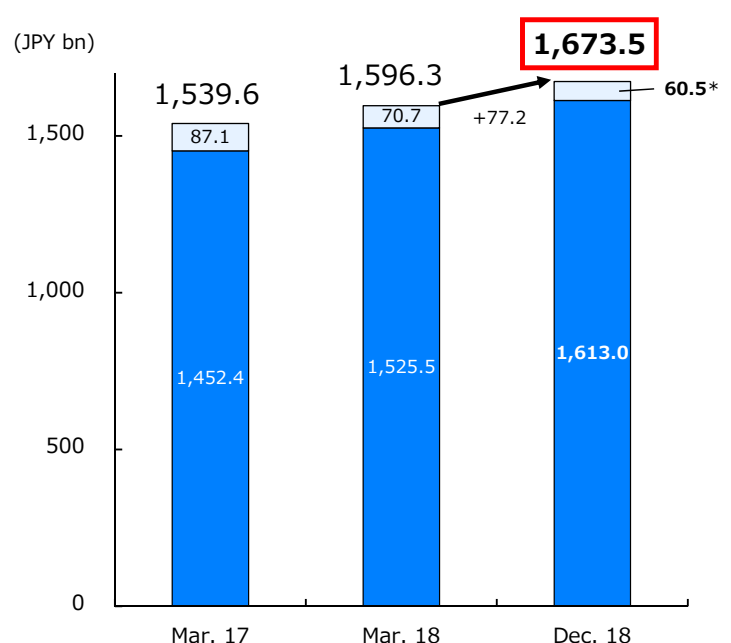
Deposits

■ Yen Deposits □ Foreign currency deposits



Loans

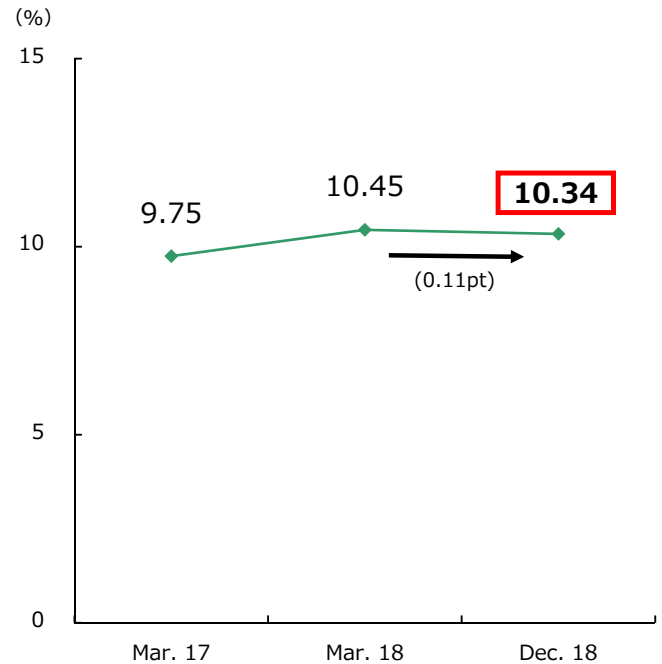
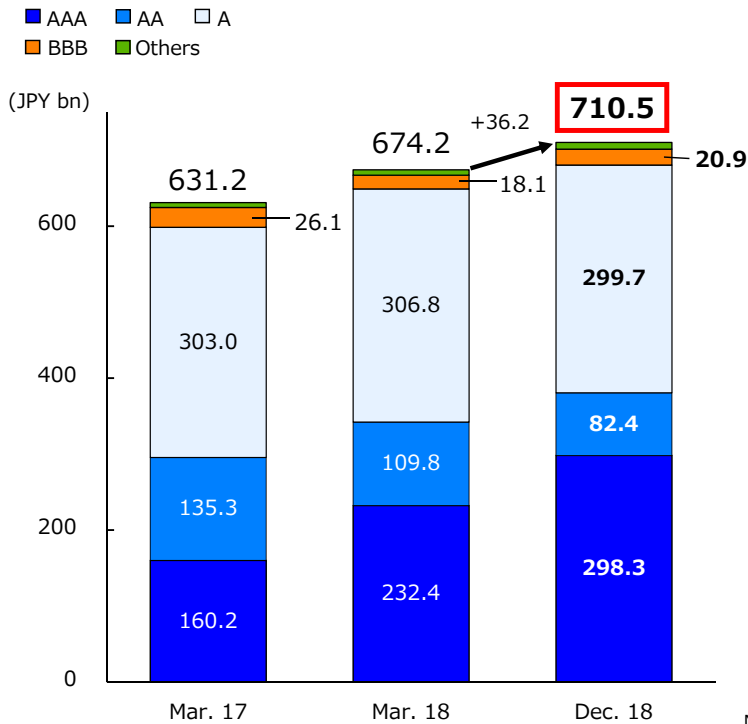
■ Mortgage loans □ Others



*Corporate loans of ¥42.2 billion. Card loans of ¥18.3 billion.

Balance of Securities by Credit Rating

Non-Consolidated Capital Adequacy Ratio
(Domestic Standard)



Note: Calculated based on the standard FSA Notification No. 19 (2006), which establishes standards based on Article 14-2 of the Banking Act of Japan for determining the capital adequacy of a bank in light of the assets held by the bank.

Forecast of Consolidated Financial Results
for the Fiscal Year Ending March 31, 2019
(FY18)

Forecast of Consolidated Financial Results for FY18

We have revised downward our full-year forecast for ordinary revenues from the figure announced on April 27, 2018. Meanwhile, we have revised our forecasts for ordinary profit and profit attributable to owners of the parent upward.

(JPY bn)	FY17 (Actual)	FY18 (Forecast)	Change	FY18.3Q (Actual)	Progress rate
Ordinary revenues	1,503.6	1,578.0 ⇒ 1,530.0	+1.8%	1,129.3	73.8%
Life insurance business	1,351.2	1,416.1 ⇒ 1,366.0	+1.1%	1,006.6	73.7%
Non-life insurance business	110.0	112.3 ⇒ 115.0	+4.5%	86.2	75.0%
Banking business	39.9	42.8 ⇒ 44.7	+11.9%	33.7	75.5%
Ordinary profit	66.8	83.0 ⇒ 92.0	+37.6%	74.0	80.5%
Life insurance business	54.1	70.9 ⇒ 78.1	+44.2%	60.1	77.0%
Non-life insurance business	6.5	6.5 ⇒ 6.8	+3.4%	7.3	108.7%
Banking business	7.1	7.0 ⇒ 8.3	+16.1%	7.0	84.9%
Profit attributable to owners of the parent	51.8	55.0 ⇒ 60.0	+15.6%	50.4	84.1%

<Ordinary revenues and ordinary profit in each business>

■ Life insurance business

We have revised downward our forecast for ordinary revenues because performance in FY18.3Q (9M) was below our initial expectations. However, we have revised upward our forecast for ordinary profit. Despite the recording of an impairment loss relating to available-for-sale securities in the general account in FY18.3Q (9M), an increase in lapses caused the provision of policy reserve to undershoot initial expectations. Also, in the general account, net gains (losses) on derivative transactions to hedge market risk related to available-for-sale securities outpaced our expectations.

■ Non-life insurance business

We have revised upward our forecast for ordinary revenues, as automobile insurance premium revenues exceeded our initial expectations. Although we expect to see increases in operating expenses and the provision for policy reserves in FY18.4Q (3M), we have revised upward our ordinary profit forecast because performance in FY18.3Q (9M) exceeded initial expectations.

■ Banking business

We have revised upward our forecast for ordinary revenues and ordinary profit because results in FY18.3Q (9M) were higher than expected, owing to such factors as higher interest income on investment securities.

Sony Life's MCEV and ESR as of December 31, 2018

Some parts of the calculations of MCEV adopted simplified method except for those as of March 31, 2018. Please keep in mind that the validity of these calculations has not been verified by outside specialists.

*In this part, figures, ratios and percentage changes have been rounded.

(JPY bn)	Mar. 18	Sep. 18	Dec. 18	Change from Mar. 18	Change from Sep. 18
MCEV	1,633.2	1,715.3	1,664.6	+ 31.5	(50.6)
Adjusted net worth	1,786.1	1,560.0	1,824.1	+ 38.0	+ 264.1
Value of existing business	(152.9)	155.3	(159.4)	(6.5)	(314.7)

(JPY bn)	FY17.4Q (3M)	FY18.1Q (3M)	FY18.2Q (3M)	FY18.3Q (3M)	FY18.3Q (9M)
New business value	21.2	21.9	22.6	23.7	68.2
New business margin	6.1%	7.1%	6.9%	7.3%	7.1%

◆ Reasons for changes in MCEV

- MCEV as of December 31, 2018 decreased ¥50.6 billion from September 30, 2018, due mainly to a decrease in interest rates in Japanese yen.

◆ New business value / New business margin

- New business value for FY18.3Q (3M) was ¥23.7 billion, due to a steady acquisition of new policies.
- New business margin for FY18.3Q (3M) was up 0.4pt from FY18.2Q (3M), due mainly to the level of U.S. dollar interest rates was higher through FY18.3Q (3M) compared with FY18.2Q (3M).

Notes:

1. Calculated MCEV as of June 30, 2018 onward by using mainly updated economic assumptions and lapse and surrender rate from March 31, 2018.
2. New business value and new business margin are calculated accumulating new business value for each month based on economic assumptions at the end of each month. The figures for FY18 onward reflect the revision in the insurance risk measurement method and others which revised in March 31, 2018. For details of the revision in the insurance risk measurement method and others, please refer to the Presentation Materials "Consolidated Financial Results for the Fiscal Year Ended March 31, 2018 and Sony Life's Preliminary MCEV as of March 31, 2018."

*Please refer to the appendix page 41-44 for trend on bond yields and yield curves.

Sony Life's ESR

(JPY bn)	Mar. 18	Sep. 18	Dec. 18
Insurance risk	497.5	488.7	513.9
Market-related risk	380.6	407.6	385.3
<i>Of which, interest rate risk</i>	<i>275.3</i>	<i>300.7</i>	<i>264.1</i>
Operational risk	31.0	33.0	31.9
Counter party risk	2.6	2.7	2.9
Variance effect	(182.0)	(187.8)	(185.9)
The risk amount based on economic value	729.7	744.1	748.0

(JPY bn)	Mar. 18	Sep. 18	Dec. 18
MCEV + Frictional costs	1,655.8	1,731.6	1,685.7
ESR	227%	233%	225%

- ◆ **The risk amount based on economic value as of December 31, 2018 amounted to ¥748.0 billion, up ¥3.9 billion from September 30, 2018, due mainly to an increase in insurance risk.**
- ◆ **ESR as of December 31, 2018 was 225%, down 7pt from September 30, 2018.**

Notes:

1. The risk amount based on economic value refers to the total amount of Sony Life's risks comprehensively examined by a market consistent approach, including insurance risk and market-related risk and others.
2. The solvency risk capital on an economic value basis is calibrated at VaR (99.5) over one year and based on the internal model.
3. Risk amount excluding the variance effect within market-related risk.
4. ESR=(MCEV + Frictional costs) / Risk amount based on economic value.

Appendix

Recent Topics

◆ Sony Bank's Mortgage Loans through Sony Life

Sony Life accounts for 11% of the amount of new mortgage loans for FY18.3Q (9M)
Sony Life accounts for 20% of the balance of mortgage loans as of December 31, 2018

*Sony Life started handling banking agency business in January 2008.

◆ Sony Assurance's Automobile Insurance sold by Sony Life

Sony Life accounts for 5% of new automobile policies for FY18.3Q (9M)

*Sony Life started handling automobile insurance in May 2001.

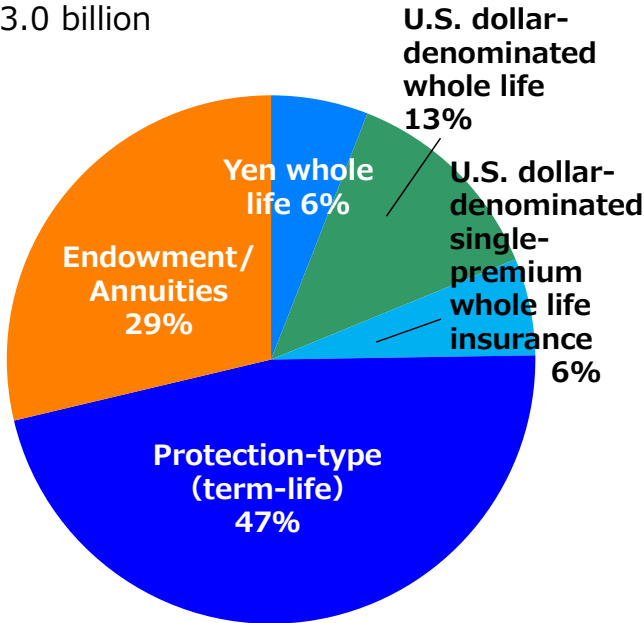
◆ Highlights on and after FY18.3Q

2018-10-01	Sony Bank began offering new mortgage loan, "Fixed-rate Select Mortgage Loan" and new group credit life insurance with disease protection rider
2018-10-15	Sony Assurance began selling new internet-only fire insurance
2018-11-30	Sony Financial Ventures Invested in CROWD CREDIT, Inc., a Social Lending Company
2018-12-12	Sony Life extended its simplified claims process for hospitalization benefits and operation insurance benefits
2019-1-31	Sony Lifecare announced to open new 5 th nursing care home in Shinjuku, Tokyo *planning to open in spring, 2020

Annualized Premiums from New Policies by Product

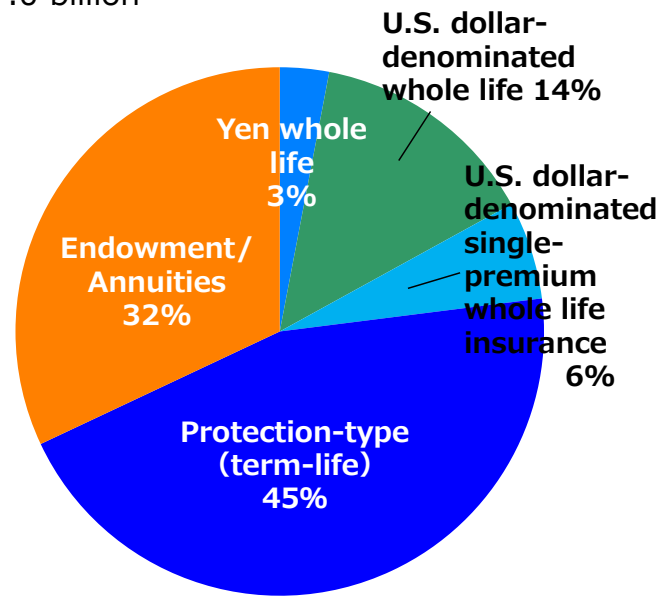
FY17 (12M)

¥73.0 billion



FY18.3Q (9M)

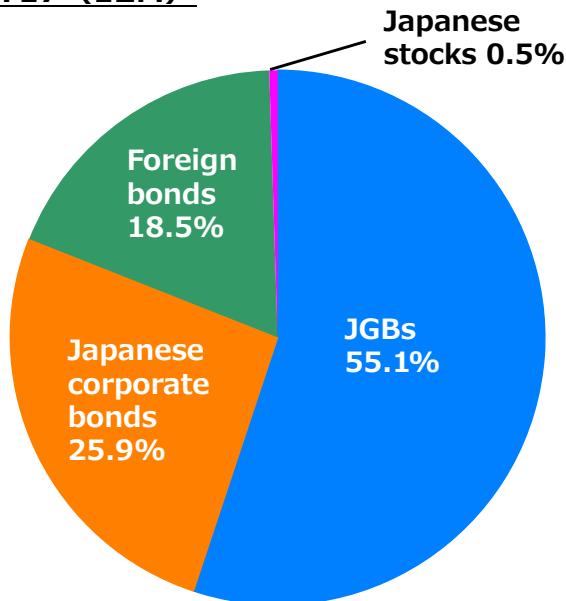
¥57.0 billion



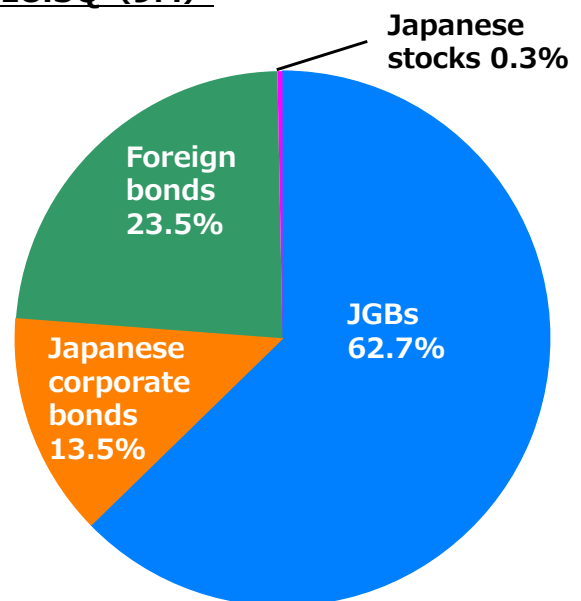
Sony Life's Asset Management

Purchase Securities in the General Account

FY17 (12M)



FY18.3Q (9M)



Notes:
1. Japanese corporate bonds include FILP agency bonds and Government-guaranteed bonds.
2. The graphs above are asset allocation for the relevant period. Total invested amount for the relevant period as 100%. (excluding, investment in subsidiaries and affiliates, and strategic investments)

Breakdown of General Account Assets

	Mar. 18		Dec. 18	
	Amount	%	Amount	%
Japanese bonds (including JGBs)	7,281.1	86.3%	7,637.9	85.4%
Japanese stocks	38.4	0.5%	29.2	0.3%
Foreign bonds	366.5	4.3%	503.4	5.6%
Foreign stocks	30.3	0.4%	24.2	0.3%
Money held in trust	270.5	3.2%	267.6	3.0%
Policy loans	189.4	2.2%	195.6	2.2%
Real estate*	92.3	1.1%	91.1	1.0%
Cash and call loans	40.8	0.5%	55.4	0.6%
Others	129.1	1.5%	141.0	1.6%
Total	8,438.8	100.0%	8,945.9	100.0%

*Real estate is the total of land, buildings, and construction in progress.

<Asset management review>

We have continued to accumulate ultralong-term bonds to match the liability characteristics of insurance policies with long-term maturities with the aim of reducing interest rate risk.



<Bond duration>

Mar. 17 21.3 years

Mar. 18 21.4 years

Dec. 18 21.3 years

- Investment in the money held in trust is mainly into Japanese bonds.
- The holding ratio on the real status of Japanese bonds including those invested in money held in trust in the general account :

Mar. 17 . . . 90.1%

Mar. 18 . . . 89.5%

Dec. 18 . . . 88.4%

Sony Life: Fair Value Information on Securities (General Account Assets)

Fair Value Information on Securities

Fair value information on securities with market value (except trading-purpose securities)

(JPY bn)	Mar. 17			Mar. 18			Dec. 18		
	Carrying amount	Fair value	Net unrealized gains (losses)	Carrying amount	Fair value	Net unrealized gains (losses)	Carrying amount	Fair value	Net unrealized gains (losses)
Held-to-maturity securities	6,068.6	7,514.2	1,445.5	6,467.9	8,050.6	1,582.6	6,711.2	8,320.7	1,609.5
Policy reserve matching bonds	277.3	303.3	25.9	401.9	436.8	34.8	603.6	647.4	43.8
Available-for-sale securities	896.5	1,069.9	173.3	921.9	1,091.1	169.1	965.1	1,123.7	158.6
Japanese bonds (including JGBs)	852.6	1,013.3	160.7	847.0	1,002.1	155.0	867.3	1,017.7	150.4
Japanese stocks	13.6	27.0	13.3	13.6	30.6	16.9	10.5	20.3	9.7
Foreign securities	30.0	29.1	(0.8)	61.0	58.1	(2.9)	87.1	85.3	(1.7)
Other securities	0.1	0.3	0.1	0.1	0.2	0.1	0.1	0.2	0.1
Total	7,242.5	8,887.5	1,644.9	7,791.9	9,578.6	1,786.7	8,279.9	10,091.8	1,811.9

Note: The above table includes money held in trust other than trading-purpose securities.

Valuation gains (losses) on trading-purpose securities

(JPY bn)

Mar. 17		Mar. 18		Dec. 18	
Balance sheet amount	Net valuation gains (losses) recorded in income	Balance sheet amount	Net valuation gains (losses) recorded in income	Balance sheet amount	Net valuation gains (losses) recorded in income
2.0	(0.1)	-	(0.0)	1.1	(0.3)

(JPY mn)	FY17.3Q(9M)	FY18.3Q(9M)	Change
Cash and deposits	0	0	+ 145.4%
Japanese bonds (including JGBs)	93,504	97,082	+ 3.8%
Japanese stocks	380	377	(0.9%)
Foreign securities	10,479	14,538	+ 38.7%
Other securities	127	293	+ 130.9%
Loans	4,957	5,124	+ 3.4%
Real estate	8,048	6,578	(18.3%)
Others	290	409	+ 40.9%
Total	117,788	124,403	+ 5.6%

Sony Life's Capital Gains (Losses)

(JPY mn)	FY17.3Q (9M)	FY18.3Q (9M)	(JPY mn)	FY17.3Q (9M)	FY18.3Q (9M)
Capital losses	25,809	14,420	Capital gains	2,851	17,726
Losses on trading securities, net	–	293	Income from trading securities, net	47	–
Losses on sale of securities…(3)	0	34	Gains on sale of securities…(3)	0	4,581
Devaluation losses on securities…(4)	–	4,026	Gains on derivatives, net	–	–
Losses on derivatives, net	23,990	784	Foreign exchange gains, net	2,804	13,145
Losses on hedges of variable life insurance…(1)	13,515	(1,696)	Gains on U.S. dollar-denominated insurance (foreign exchange gains in separate accounting) …(5)	2,189	13,036
Losses on hedges of available-for-sale securities…(2)	5,877	(1,692)	Other capital gains	–	–
Losses on U.S. dollar-denominated insurance…(5)	3,445	4,141	Net capital gains (losses)	(22,958)	3,306
Foreign exchange losses, net	–	–			
Other capital losses	1,819	9,280			
Losses on U.S. dollar-denominated insurance (the provision of policy reserves for foreign exchange fluctuations)…(5)	1,155	9,280			

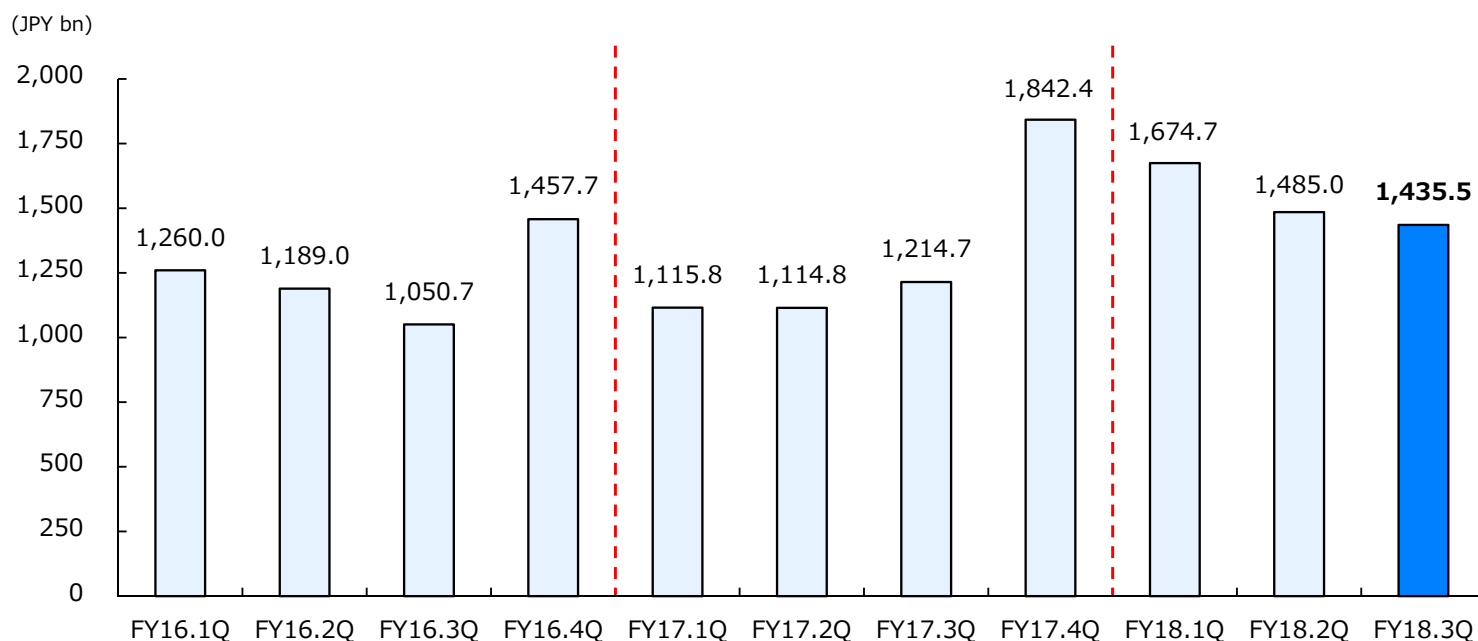
Note: The figures of income (losses) from trading securities, net, gains (losses) on derivatives and foreign exchange gains (losses), net were recorded after offsetting gains and losses of each item.

● Capital Gains (Losses) on Main Items, Net Amounts

(JPY mn)	FY17.3Q (9M)	FY18.3Q (9M)
(1) Gains (Losses) on hedges of variable life insurance	(13,515)	1,696
(2) Gains (losses) on hedges of available-for-sale securities	(5,877)	1,692
(3) Gains (losses) on sale of securities	0	4,547
(4) Devaluation losses on securities	–	(4,026)
(5) Gains (losses) on U.S. dollar-denominated insurance	(2,411)	(384)

Sony Life's Quarterly Trend on New Policy Amount

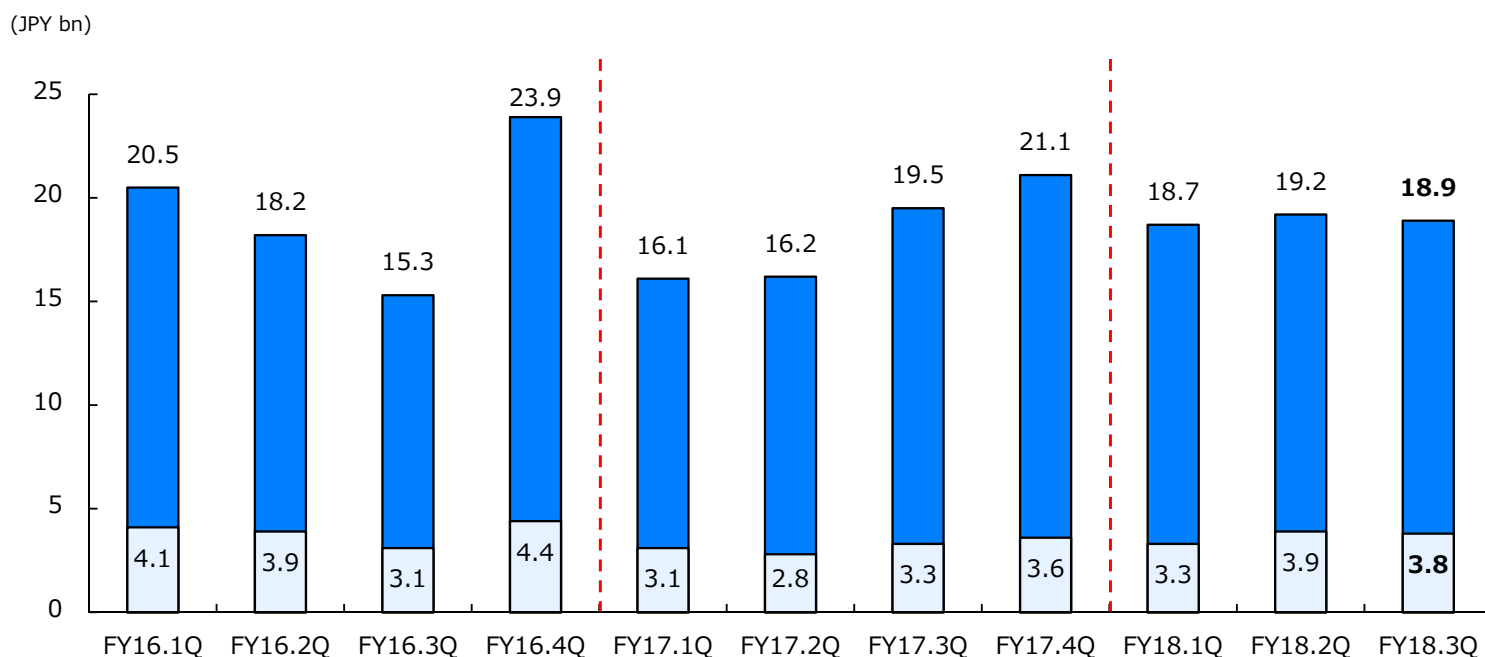
Quarterly Trend on New Policy Amount (Individual Life Insurance + Individual Annuities)



Sony Life's Quarterly Trend on Annualized Premiums from New Policies

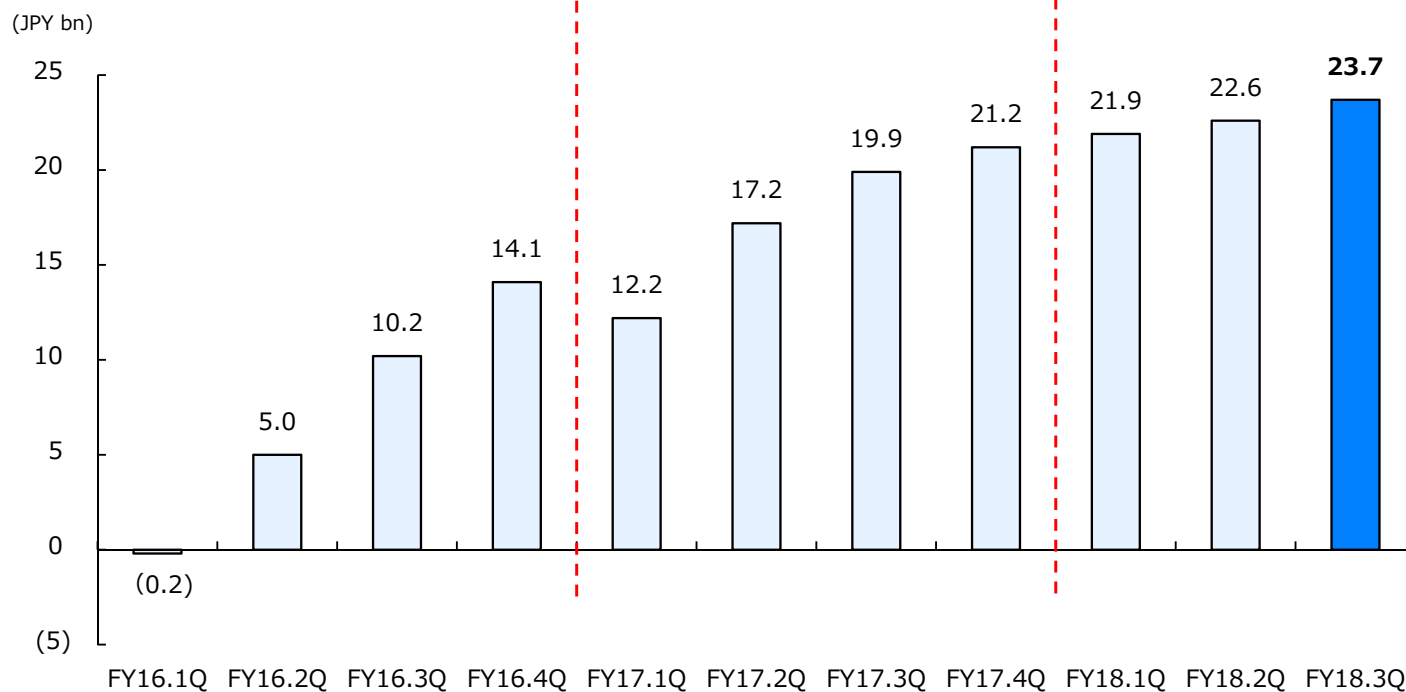
Quarterly Trend on Annualized Premiums from New Policies (Individual Life Insurance + Individual Annuities)

■ Annualized premiums from new policies □ Of which, third-sector



Sony Life's Quarterly Trend on New Business Value

Quarterly Trend on New Business Value

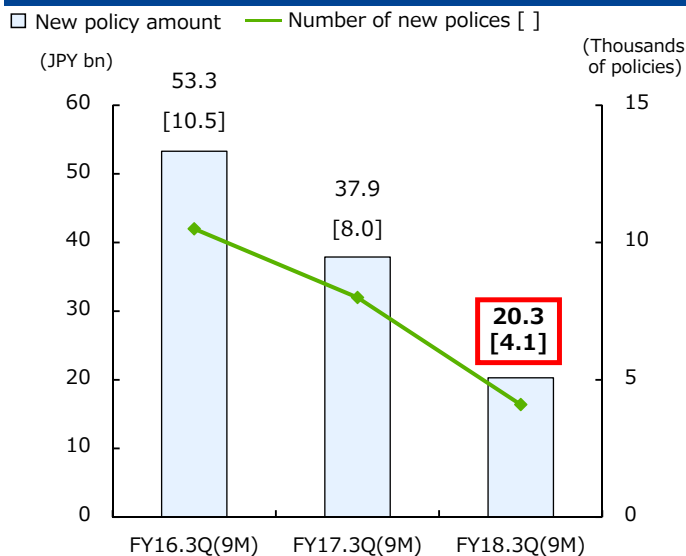


Note: New business value is calculated accumulating new business value for each month based on economic assumptions at the end of each month. The figures for FY18 onward reflect the revision in the insurance risk measurement method and others which revised on March 31, 2018.

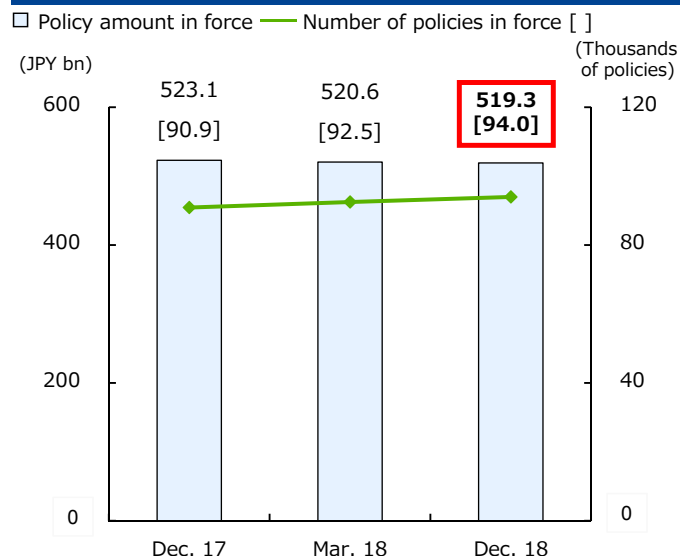
Operating Performance : AEGON Sony Life Insurance

◆ AEGON Sony Life Insurance sells individual variable annuities.

Number and Amount of New Policies



Number and Amount of Policies in Force

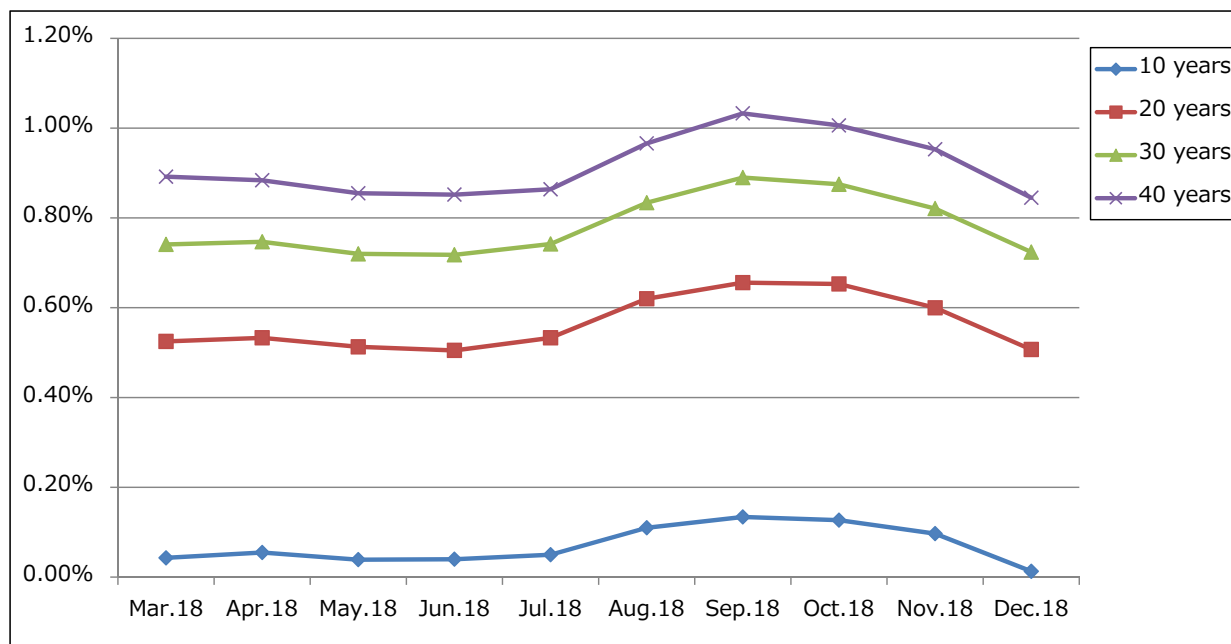


Net income (losses) for AEGON Sony Life Insurance and SA Reinsurance

(JPY bn)	FY17.3Q(9M)	FY18.3Q(9M)	Change
AEGON Sony Life Insurance	(3.3)	(2.6)	+0.7
SA Reinsurance	(0.2)	1.7	+2.0

AEGON Sony Life Insurance and SA Reinsurance are equity method companies, 50-50 joint venture established by Sony Life and AEGON Group. SA Reinsurance prepares its financial statements in accordance with U.S. GAAP. 50% of the net income (losses) for AEGON Sony Life Insurance and SA Reinsurance are recognized as investment profit (losses) on equity method in the SFH's consolidated net income.

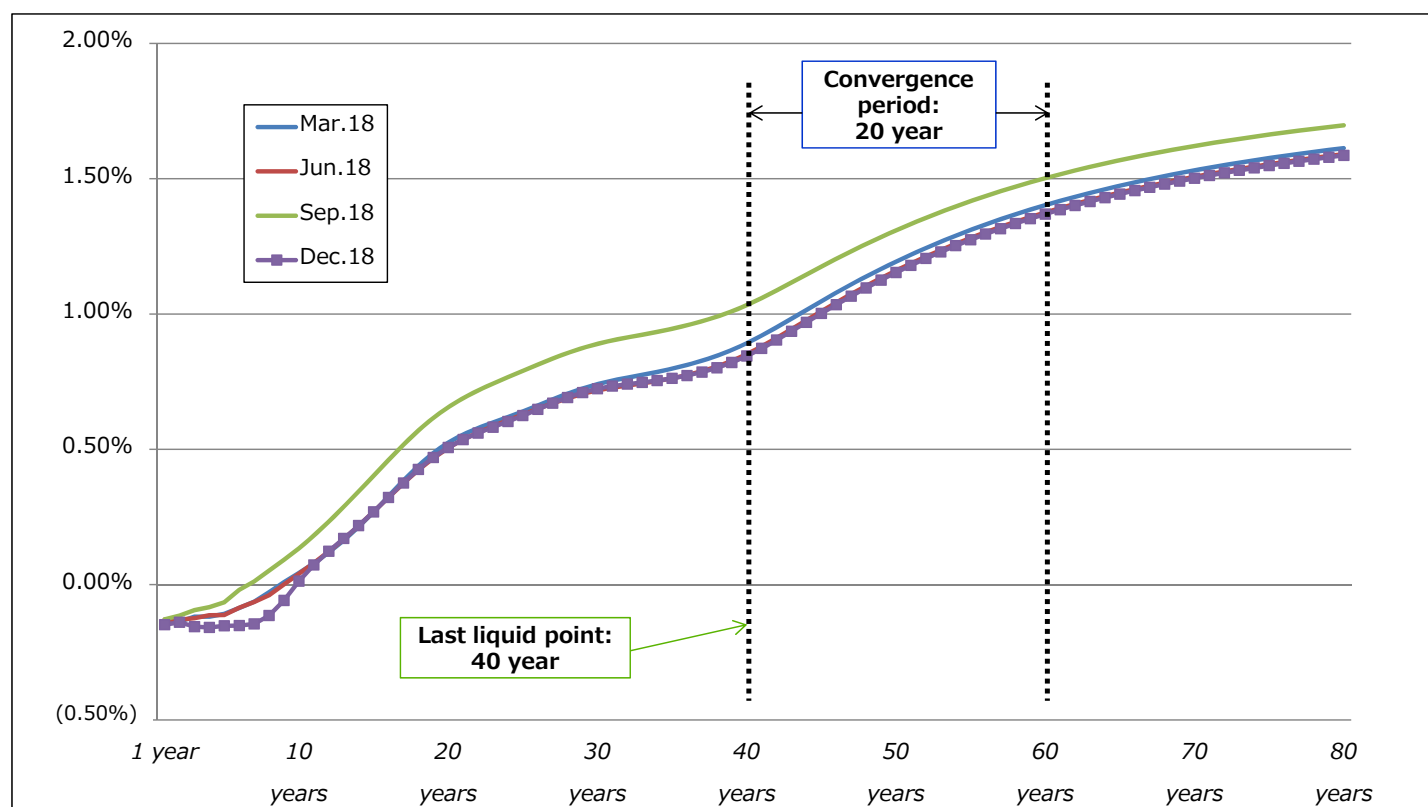
Trend on JGB Yields (Par rate)



As of the end of each month

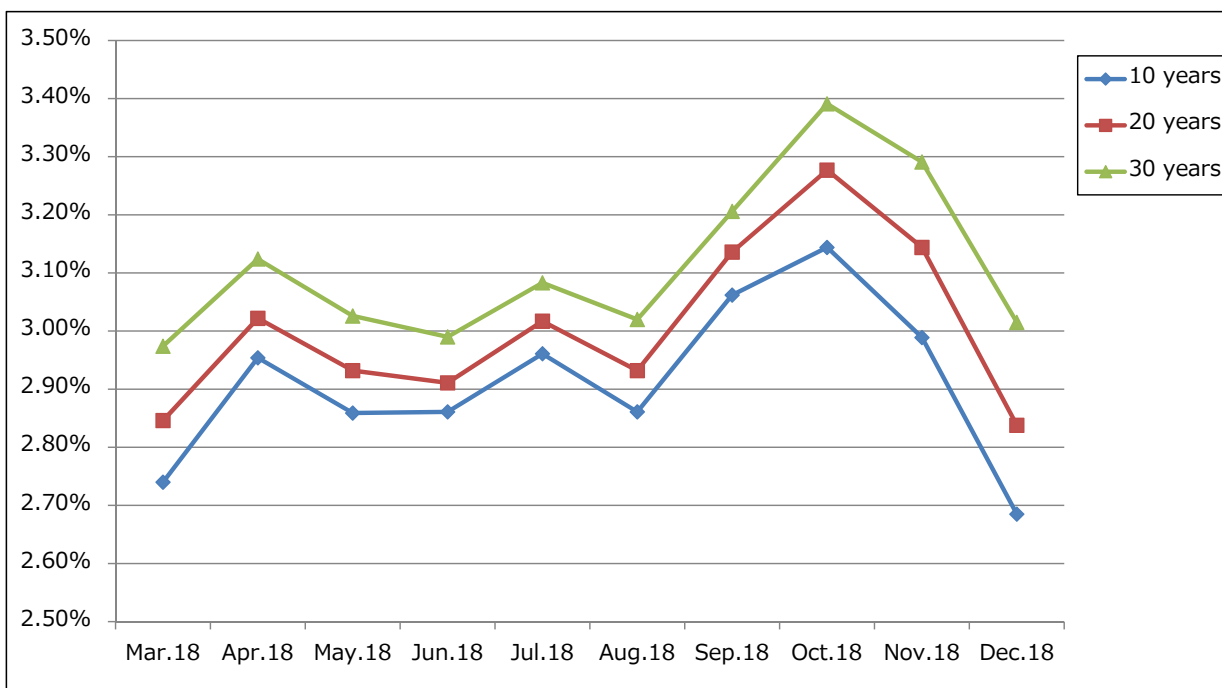
	Mar.18	Apr.18	May.18	Jun.18	Jul.18	Aug.18	Sep.18	Oct.18	Nov.18	Dec.18
10 years	0.04%	0.06%	0.04%	0.04%	0.05%	0.11%	0.13%	0.13%	0.10%	0.01%
20 years	0.53%	0.53%	0.51%	0.51%	0.53%	0.62%	0.66%	0.65%	0.60%	0.51%
30 years	0.74%	0.75%	0.72%	0.72%	0.74%	0.83%	0.89%	0.88%	0.82%	0.72%
40 years	0.89%	0.88%	0.86%	0.85%	0.86%	0.97%	1.03%	1.01%	0.95%	0.85%

Trend on Risk-free Rate (Japanese yen/Par rate)



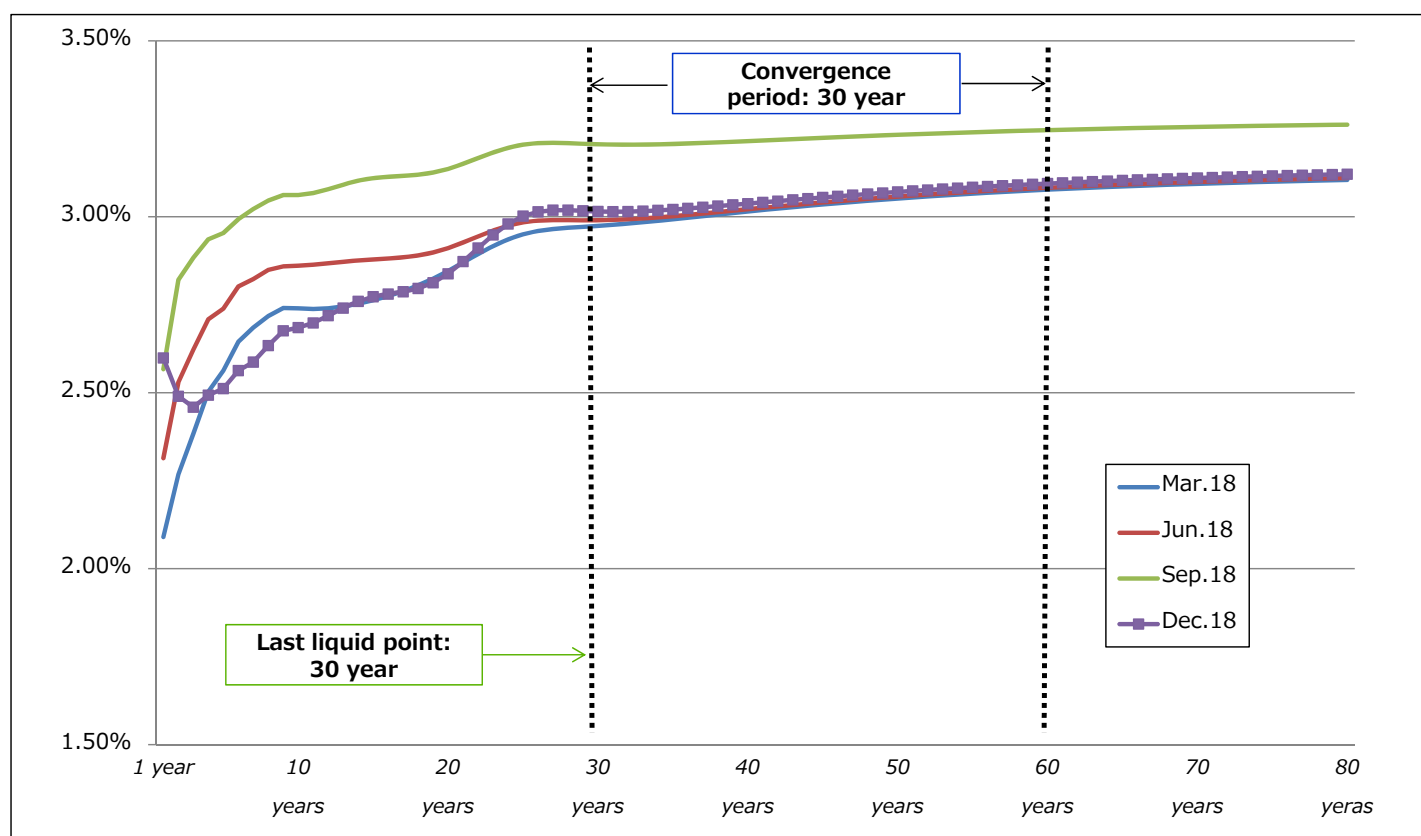
*For above risk-free rate, we employ the Smith-Wilson method for extrapolation so that the 60-year forward rate will coverage on the UFR (3.5%).

Trend on U.S. Dollar Bonds Yields (Par rate)



	Mar.18	Apr.18	May.18	Jun.18	Jul.18	Aug.18	Sep.18	Oct.18	Nov.18	Dec.18
10 years	2.74%	2.95%	2.86%	2.86%	2.96%	2.86%	3.06%	3.14%	2.99%	2.69%
20 years	2.85%	3.02%	2.93%	2.91%	3.02%	2.93%	3.14%	3.28%	3.14%	2.84%
30 years	2.97%	3.12%	3.03%	2.99%	3.08%	3.02%	3.21%	3.39%	3.29%	3.02%

Trend on Risk-free Rate (U.S. Dollar / Par rate)



*For above risk-free rate, we employ the Smith-Wilson method for extrapolation so that the 60-year forward rate will coverage on the UFR (3.5%).

Detail of Consolidated Adjusted ROE

	FY2017 (12M)	FY17.3Q (9M)	FY18.3Q (9M)
Consolidated Adjusted ROE	6.1%	4.5%	5.1%
(Sony Life) Core ROEV*	5.9%	4.2%	4.8%
(Sony Assurance) Adjusted ROE	16.1%	12.5%	14.3%
(Sony Bank) ROE	5.5%	3.9%	5.3%

*The figures for FY17 and FY17.3Q excluded the impact of the revision in the insurance risk measurement method and others for Sony Life.

Detail of Consolidated Adjusted Profit and Consolidated Adjusted Capital

Adjusted profit (Numerator)

Sony Financial Group (consolidated) (JPY bn)	FY2017	FY17.3Q (9M)	FY18.3Q (9M)
Adjusted profit (consolidated)	98.8	70.8	90.8

Sony Life (non-consolidated) (JPY bn)	FY2017	FY17.3Q (9M)	FY18.3Q (9M)
New business value *1	70.4	49.2	68.2
Expected existing business contribution *1	16.3	12.8	10.7
Adjusted profit	86.7	62.0	78.9

Sony Assurance (JPY bn)	FY2017	FY17.3Q (9M)	FY18.3Q (9M)
Net income	4.8	3.6	5.2
Provision amount for catastrophe reserve (after tax)	2.4	1.8	1.9
Provision amount for reserve for price fluctuations (after tax)	0.0	0.0	0.0
Adjusted profit	7.3	5.5	7.2

Sony Bank (consolidated) (JPY bn)	FY2017	FY17.3Q (9M)	FY18.3Q (9M)
Profit attributable to owners of the parent	4.7	3.3	4.6

Adjusted capital (Denominator)

Sony Financial Group (consolidated) (JPY bn)	FY2017	FY17.3Q (9M)	FY18.3Q (9M)
Adjusted capital (consolidated)	1,607.6	1,592.2	1,773.5

Sony Life (non-consolidated) (JPY bn)	FY2017	FY17.3Q (9M)	FY18.3Q (9M)
①MCEV as of the beginning of the fiscal year	1,441.0	1,441.0	1,633.1
②Dividends paid	23.1	23.1	26.2
③MCEV as of the end of the period *2*3	1,536.5	1,509.5	1,664.6
Adjusted capital (① - ② + ③) / 2	1,477.2	1,463.7	1,635.7

Sony Assurance (JPY bn)	FY2017	FY17.3Q (9M)	FY18.3Q (9M)
①The average amount of net assets during the period	33.1	31.6	35.3
②The average amount of catastrophe reserve (after tax) during the period	15.0	14.4	17.0
③The average amount of reserve for price fluctuations (after tax) during the period	0.1	0.1	0.1
Adjusted capital (① + ② + ③)	45.2	44.1	50.4

Sony Bank (consolidated) (JPY bn)	FY2017	FY17.3Q (9M)	FY18.3Q (9M)
Adjusted capital (The average amount of net assets during the period)	85.1	84.3	87.3

*1. Please keep in mind that the validity of these calculations has not been verified by outside specialists for the figures for FY17.3Q and FY18.3Q.

*2. Please keep in mind that the validity of these calculations has not been verified by outside specialists.

*3. The figures for FY17 and FY17.3Q excluded the impact of the revision in the insurance risk measurement method and others.

Note: The figures on this page unit have been truncated. Therefore, some figures may differ from other pages.

Definition of Consolidated Adjusted ROE

Calculation of Consolidated Adjusted ROE

Since each company of Sony Financial Group differs by industry such as insurance and banking, each group company calculate its "Adjusted ROE" based on adjusted profit and adjusted capital to realize its corporate value and capital efficiency.

		Sony Financial Group *		
		Sony Life Core ROEV	Sony Assurance Adjusted ROE	Sony Bank ROE
Numerator (Adjusted profit)		New business value + Expected existing business contribution ①	+	Net income (loss) + Provision amount for catastrophe reserve and its provision amount for reserve for price fluctuations, in each case after taxes ②
			+	+
		Profit (loss) attributable to owners of the parent ③		
Denominator (Adjusted capital)		MCEV as of the beginning of the fiscal year less dividends paid plus MCEV as of the end of the fiscal year, divided by two. ④	+	The average amount of net assets plus the sum of catastrophe reserve and its reserve for price fluctuations during the fiscal year, in each case after taxes ⑤
			+	The average amount of net assets during the fiscal year ⑥

* Consolidated Adjusted ROE = Consolidated Adjusted Profit divided by Consolidated Adjusted Capital
 Consolidated Adjusted Profit = ①+②+③
 Consolidated Adjusted Capital = ④+⑤+⑥



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