

Information Pertaining to Controlling Shareholders etc.

Tokyo, May 11, 2018—Sony Financial Holdings Inc. (“SFH”) hereby announces information pertaining to controlling shareholders etc., with regard to its parent company, Sony Corporation (“Sony”).

1. Name of the Parent Company, Controlling Shareholder (excluding Parent Company) and other Related Companies or their Parent Companies

(As of March 31, 2018)

Name	Relationship	Percentage of Voting Rights (%)			Financial Exchanges where Shares of Parent Company are Listed
		Direct	Indirect	Total	
Sony Corporation	Parent company	63.00	-	63.00	Tokyo Stock Exchange (Japan) New York Stock Exchange (United States)

Note: SFH holds 35,775 shares as treasury stocks, which are excluded in the calculation of Percentage of Voting Rights.

2. Position of SFH within the Corporate Group of the Parent Company and other Relationships between SFH and the Parent Company

1) Position of SFH within the Corporate Group of the Parent Company

Sony is a parent company of SFH and it holds 63.00% of SFH’s shares. SFH*¹ is included in the Sony Group’s Financial Services segment.

*1 SFH is a financial holding company having under its umbrella Sony Life Insurance Co., Ltd., Sony Assurance Inc. Sony Bank Inc. and Sony Lifecare Inc. as well as other companies. (Hereafter, “Sony Financial Group” refers SFH and its subsidiaries.)

2) Transactions and Personnel Relationships with Parent Company and its Group Companies

(Transactions)

Each of Sony Financial Group companies has entered into royalty agreements with Sony for the use of the “Sony” trade name and trademark. Each of Sony Financial Group companies, except SFH as the pure holding company, pay royalty fees to Sony based on these agreements.

(Personnel Relationships)

Of SFH’s 12 directors and statutory auditors (nine directors and three statutory auditors) as of March 31, 2018, the two serve concurrently as executives/employees of Sony. In addition, six employees of Sony have been sent on loan to work as an SFH employee.

(As of March 31, 2018)

Position at SFH	Name	Position at Sony Group	Reason for Appointment
Director	Shiro Kambe	EVP* ² , Corporate Executive Officer of Sony Corporation	He has the wisdom, experience and capacity for judgment to engage in appropriate decision making and management oversight in relation to overall Group management.
Statutory Auditor	Hirotohi Korenaga	Corporate Executive, Senior General Manager, Global Accounting Division of Sony Corporate Services (Japan) Corporation	He has extensive knowledge about finance and accounting acquired over many years of working in accounting.

*2 EVP stands for Executive Vice President.

3) Limitations and Other Concerns from an Operational Standpoint of Belonging to the Corporate Group of the Parent Company

Sony Financial Group companies pay royalty fees to Sony based on royalty agreements for the use of the “Sony” trade name and trademark. The monetary amount of these royalty fees has no material impact on the management base of the Sony Financial Group.

The Sony Financial Group believes that the use of the “Sony” trade name and trademark confers certain advantages, including stronger brand recognition, enhanced trustworthiness, and higher employee motivation.

4) Considerations with Regard to Achieving a Certain Degree of Independence from the Parent Company

Because the Sony Financial Group’s business operation has a tenuous connection with the Sony Group’s business domains except for Financial Services, and because the Sony Financial Group operates its business primarily in accordance with the Insurance Business Act and the Banking Act of Japan, under the supervision of the Financial Services Agency (“FSA”) of Japan, SFH believes that the Sony Financial Group has conducted its business with a certain degree of independence from the Sony Group.

In addition, Sony, which has obtained approval from the FSA to remain a major SFH shareholder, recognizes and respects SFH’s corporate philosophy.

Regarding personnel relations, as the appointment of concurrent director and statutory auditor is based on the requests made by the Sony Financial Group. Therefore, SFH believes that concurrent director and statutory auditor are positioned to make their independent management decisions.

Furthermore, from the standpoint of further enhancing independence from the parent company, SFH has appointed two Outside Directors and two Outside Statutory Auditors who satisfy independence standard of SFH, in addition to the independence requirements of the Companies Act of Japan and standards for independent directors provided by the Tokyo Stock Exchange (“TSE”). These Outside Directors and Outside Statutory Auditors are deemed as independent directors and independent auditors based on the rules set forth by the TSE regulations, respectively.

3. Transactions with the Controlling Shareholder, etc.

(From April 1, 2017, to March 31, 2018)

Category	Name	Address	Capital or Treasury (Millions of Yen)	Business or Trade	Parent Company’s Percentage Ownership	Relationship	Transaction Content	Transaction Amount* (Millions of Yen)	Item	Balance at Year-End (Millions of Yen)
Parent company	Sony Corporation	Minato-ku, Tokyo	865,677	Manufacturing	63% (Direct ownership)	Receipt of employee sent on loan, concurrent officers, etc.	Salary payment for employee sent on loan	79	Accrued expenses	5

*The transaction amount excludes consumption and other taxes. The balance at year-end includes consumption and other taxes.

<Transaction Terms and Method of Determining Such Terms>

The terms of transaction related to the employee sent on loan are based on a memorandum of understanding, and accordingly compensation is paid at the company whose employee is sent on loan.

4. Status of implementation of the Policy Concerning Measures to Protect Minority Shareholders in Transactions with Controlling Shareholder

With regard to transactions with Sony, SFH confirms the necessity for such transactions and ensures that conditions do not differ markedly from the terms of ordinary transactions with third parties.

For inquiries:

Investor Relations Dept.

Sony Financial Holdings Inc.

Telephone: + 81-3-5290-6500 E-mail: press@sonyfh.co.jp

Website of Sony Financial Holdings Inc.: https://www.sonyfh.co.jp/index_en.html