

May 17, 2019

To: All Concerned

Company Name	Sony Financial Holdings Inc.
Name of the Representative	Shigeru Ishii, President and Representative Director (Code: 8729; TSE First Section)

Company Name	Sony Life Insurance Co., Ltd.
Name of the Representative	Tomoo Hagimoto, President and Representative Director

Announcement of Execution of an Agreement on Acquisition of Shares of Two Equity-method Affiliate Companies (Conversion into Wholly-owned Subsidiaries) by Sony Life Insurance Co., Ltd., a Wholly-owned Consolidated Subsidiary of Sony Financial Holdings Inc.

Tokyo, May 17, 2019—We announce that a resolution has been made today by each of the Boards of Directors' meeting of Sony Financial Holdings Inc. (President and Representative Director: Shigeru Ishii; headquartered in Chiyoda-ku, Tokyo; hereinafter "Sony Financial Holdings") and of its wholly-owned consolidated subsidiary, Sony Life Insurance Co., Ltd. (President and Representative Director: Tomoo Hagimoto; headquartered in Chiyoda-ku, Tokyo; hereinafter "Sony Life") to enter into an agreement under which Sony Life will acquire the remaining 50% stakes of AEGON Sony Life Insurance Co., Ltd. (hereinafter "AEGON Sony Life") and SA Reinsurance Ltd. (a reinsurer; hereinafter "SA Re") that are currently equity-method affiliate companies of Sony Financial Holdings Inc. (hereinafter collectively termed the "two Joint Ventures").

The two Joint Ventures were established by Sony Life and AEGON International B.V. (hereinafter "AEGON International"), with each owning 50% of the shares, where AEGON International is a subsidiary of AEGON N.V., a Netherlands-based insurance group (CEO: Alexander R. Wynaendts; headquartered in the Netherlands; hereinafter "AEGON").

Going forward, Sony Life will acquire the remaining 50% of the issued shares in each of the two Joint Ventures from AEGON International (hereinafter the "Additional Acquisition of Equity Shares"), raising its ownership ratio for each to 100%. As a result, the two Joint Ventures will become wholly-owned subsidiaries of Sony Financial Holdings and Sony Life. This Additional Acquisition of Equity Shares is subject to approvals from the relevant authorities.

The Additional Acquisition of Equity Shares will not affect the terms of contracts for policyholders of AEGON Sony Life.

Detailed Description

1. Purpose of the Additional Acquisition of Equity Shares

In 2007, Sony Life and AEGON International jointly established AEGON Sony Life Planning Co., Ltd., a life insurer specialized in individual annuities. Since the commencement of its operation in 2009 with its trade name changed to AEGON Sony Life, the joint venture has been providing individual annuities and other products and services, centering on variable annuities, that meet various annuity needs of customers, through Sony Life's Lifeplanners sales employees and banks and other financial institutions acting as brokers (selling at over-the-counter).

As further progress diversification of customers' needs, we carefully examined the outlook of the business environment surrounding AEGON Sony Life and discussed with AEGON. Consequently, we made an agreement to make the two Joint Ventures wholly-owned subsidiaries of Sony Life in order to speed up management decision-making and improve operational efficiency.

Sony Life and AEGON have confirmed that the good relationship between both parties will be maintained.

2. Outline of the Subsidiaries to be Converted

Outline of AEGON Sony Life

(1) Name	AEGON Sony Life Insurance Co., Ltd.		
(2) Address	5-52-2, Jingumae, Shibuya-ku, Tokyo, Japan		
(3) Title and name of the representatives	Executive Chairman and Representative Director: Thomas Grondin President and Representative Director: Kosuke Kato		
(4) Business	Life insurance business		
(5) Capital	18,750 million yen (as of March 31, 2019)		
(6) Established	August 29, 2007		
(7) Major shareholders and ownership percentage	Sony Life Insurance Co., Ltd. : 50% AEGON International B.V. : 50%		
(8) Relationship between the listed company and this company	Capital relationship	AEGON Sony Life is an equity-method affiliate company, 50% owned by Sony Life, a wholly-owned consolidated subsidiary of Sony Financial Holdings.	
	Personnel relationship	There are four (4) board members who also serve on the board of Sony Life, a wholly-owned consolidated subsidiary of Sony Financial Holdings.	
	Business relationship	AEGON Sony Life has entered into an agency agreement with Sony Life, a wholly-owned consolidated subsidiary of Sony Financial Holdings.	
	Related party or not	AEGON Sony Life is an equity-method affiliate company of Sony Financial Holdings.	
(9) Operating results and financial status of the company over the last three years			
For the years ended March 31 (Millions of yen)	2016	2017	2018
Net assets	6,736	5,738	8,261
Total assets	432,925	478,199	496,730
Ordinary revenues	136,411	124,700	96,150
Ordinary profit (losses)	(2,901)	(4,797)	(4,668)
Net income (losses)	(3,292)	(4,497)	(4,377)

Outline of SA Re

(1) Name	SA Reinsurance Ltd.
(2) Address	Milner Place, 32 Victoria Street, Top Floor, Hamilton, Bermuda
(3) Title and name of the representatives	Director and Co-Managing Director: Katsuki Yoshimoto Director and Co-Managing Director: Andrew Kanelos

(4) Business	Reinsurance business		
(5) Capital	15,900 million yen (as of March 31, 2019)		
(6) Established	October 29, 2009		
(7) Major shareholders and ownership percentage	Sony Life Insurance Co., Ltd. : 50% AEGON International B.V. : 50%		
(8) Relationship between the listed company and this company	Capital relationship	SA Re is an equity-method affiliate company, 50% owned by Sony Life, a wholly-owned consolidated subsidiary of Sony Financial Holdings.	
	Personnel relationship	There are four (4) board members who also serve on the board of Sony Life, a wholly-owned consolidated subsidiary of Sony Financial Holdings.	
	Business relationship	No particular business relationship to mention	
	Related party or not	SA Re is an equity-method affiliate company of Sony Financial Holdings.	
(9) Operating results and financial status of the company over the last three years			
For the years ended March 31 (Millions of yen)	2016	2017	2018
Net assets	16,928	16,824	16,316
Total assets	77,635	75,235	79,876
Premium income	7,377	8,638	9,382
Net income (losses)	1,855	(2,604)	(507)

3. Outline of the Counterparty in the Share Acquisition

Outline of AEGON International

(1) Name	AEGON International B.V.		
(2) Address	Aegonplein 50, 2591 TV The Hague, The Netherlands		
(3) Relationship between the listed company and this company	Capital relationship	No particular capital relationship to mention	
	Personnel relationship	No particular personnel relationship to mention	
	Business relationship	No particular business relationship to mention.	
	Related party or not	The company is not deemed a related party.	

We do not present the full description of AEGON International, the counterparty in the share acquisition, as the company does not disclose its financial documents. AEGON, which is the parent company of AEGON International, is outlined as follows:

Outline of AEGON

(1) Name	AEGON N.V.
(2) Address	Aegonplein 50, 2591 TV, The Hague, The Netherlands
(3) Representative	CEO: Alexander R. Wynaendts

(4) Business	Financial services business	
(5) Capital	322 million euros (as of December 31, 2018)	
(6) Established	1844	
(7) Net assets	22,885 million euros (as of December 31, 2018)	
(8) Total assets	393,031 million euros (as of December 31, 2018)	
(9) Major shareholders	Vereniging AEGON : 14%	
(10) Relationship between the listed company and this company	Capital relationship	No particular capital relationship to mention
	Personnel relationship	No particular personnel relationship to mention
	Business relationship	There are business transactions involving financial instruments, etc. between SA Re and AEGON group companies.
	Related party or not	The company is not deemed a related party.

4. Number of Shares to Acquire, the Purchase Price, and Shareholding before and after the Acquisition

(1) Number of shares held before the change	AEGON Sony Life: 18,750,000 shares (Voting right ratio: 50%) SA Re: 7,950,000 shares (Voting right ratio: 50%)	
(2) Number of shares to acquire	AEGON Sony Life: 18,750,000 shares SA Re: 7,950,000 shares	
(3) Purchase price	Total (approximation) (of that, approximate advisory cost, etc.)	16,250 million yen 250 million yen
(4) Number of shares to hold after the change	AEGON Sony Life: 37,500,000 shares (Voting right ratio: 100%) SA Re: 15,900,000 shares (Voting right ratio: 100%)	

5. Schedule

(1) Date of resolution of the Boards of Directors' meeting	May 17, 2019 (Sony Financial Holdings and Sony Life)
(2) Execution date of the agreement	May 17, 2019
(3) Execution date of the final agreement	June 2019 – July 2019 (planned)
(4) Date of transferring shares	November 2019 – January 2020 (planned)

6. Future Plans and Outlook

(1) Conversion into wholly-owned subsidiaries

The completion of the Additional Acquisition of Equity Shares will be expected to be from November 2019 to January 2020, subject to approvals from the relevant authorities. This will be immediately followed by necessary procedures, such as changing the trade names of the two Joint Ventures.

(2) Impact on financial results

The impact of the Additional Acquisition of Equity Shares on consolidated financial results of Sony Financial Holdings for the fiscal year ending in March 31, 2020 is currently under careful evaluation. Going forward, any matters that require disclosure will be promptly disclosed. Its impact has yet to be reflected on our forecast of consolidated financial results for the fiscal year ending in March 31, 2020 that was announced on April 26, 2019.

7. Handling of Policies of AEGON Sony Life

The Additional Acquisition of Equity Shares will not affect the terms of contracts for policyholders of AEGON Sony Life.

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