

IR Meeting

December 1, 2025
Sony Financial Group Inc.

1 Sony FG: Initiatives of the Group Strategy

2 Life insurance business (Sony Life): FY25.1H Review and Future Initiatives

3 Non-Life Insurance Business (Sony Assurance): FY25.1H Review and Future Initiatives

4 Banking Business (Sony Bank) : FY25.1H Review and Future Initiatives

5 Sony FG: Financial Initiatives

6 APPENDIX

Steps from Announcement of Spin-off Consideration (May 2023) to Listing

May 18, 2023
Announcement of the start of partial spin-off (Sony Group Corporate Strategy Meeting)

February 13, 2024
Obtained approval from the Minister of Economy, Trade and Industry of Japan regarding SGC's Corporate Restructuring Plan based on the Act on Strengthening Industrial Competitiveness of Japan

August 8, 2025
Submitted final application for listing to Tokyo Stock Exchange (TSE)

September 8, 2025
Obtained approval for listing

September 29, 2025
Listed on the TSE Prime Market

October 1, 2025
Completion of the execution of the partial spin-off





Approach to the group strategy of Sony FG

May 29, 2025
Financial Services Investor Day (Reposted)

Sony Financial Group

Our Vision

Pursuing lives filled with emotion, together.

Provide value as a unified Sony FG by integrating the core competencies of each company into Sony Life

Sony Financial Group

Group management with life insurance at its core

Overall strategy through shared management human resources leadership

Sony Assurance



Unparalleled brand recognition and marketing expertise leveraged for customer acquisition

Company-wide marketing strategy

Exploration of corporate services

Sony Life



From Sony Life's Lifeplanner (LP) to Sony FG's LP

Exploration of strategies targeting seniors and families

Sony Lifecare



Starting point for business expansion into non-financial areas

Exploration of services for corporations and high-net-worth individuals

Deepening family strategy through Sony Life branch accounts

Sony Bank



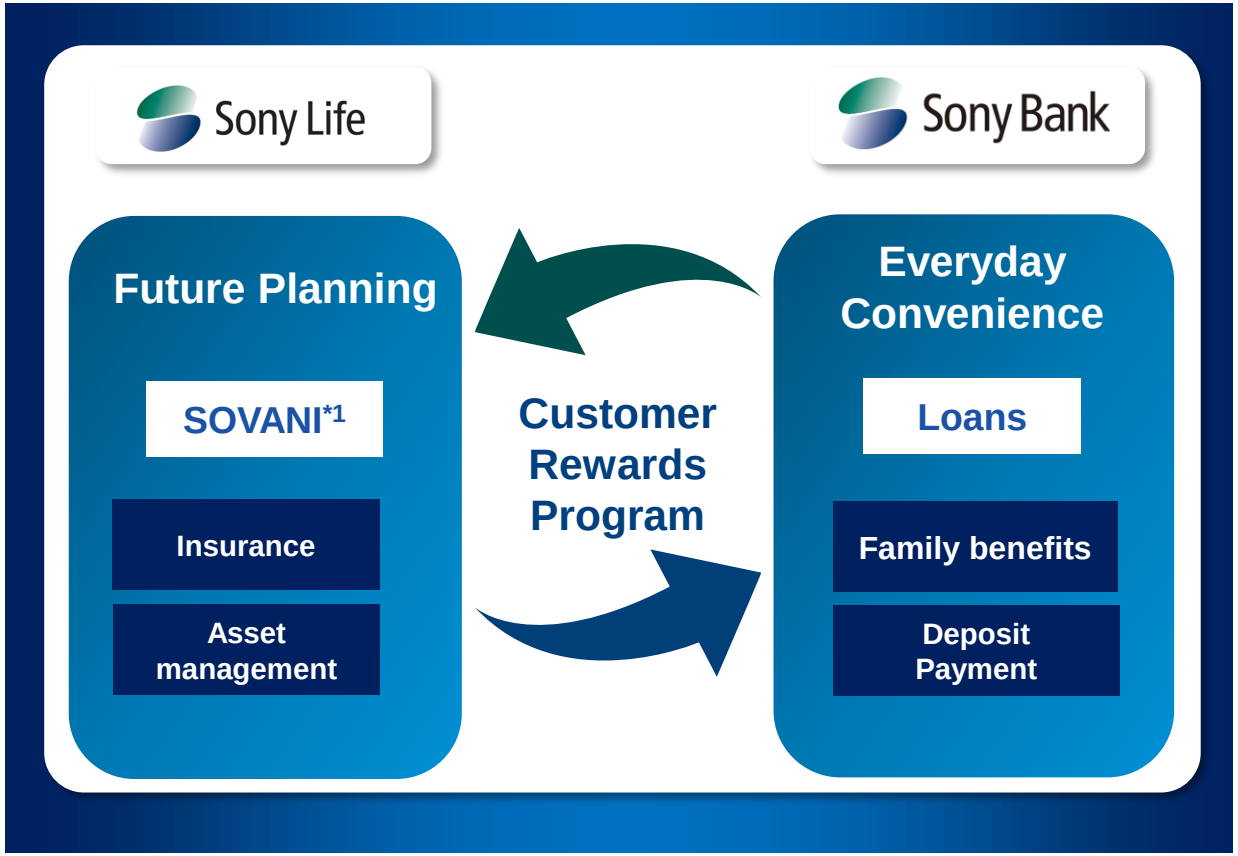
Intra-group asset circulation foundation

SONY's Brand Strength and Technology

Sony FG's Initiative (1/2)

New financial infrastructure created by the integration of life insurance and banking

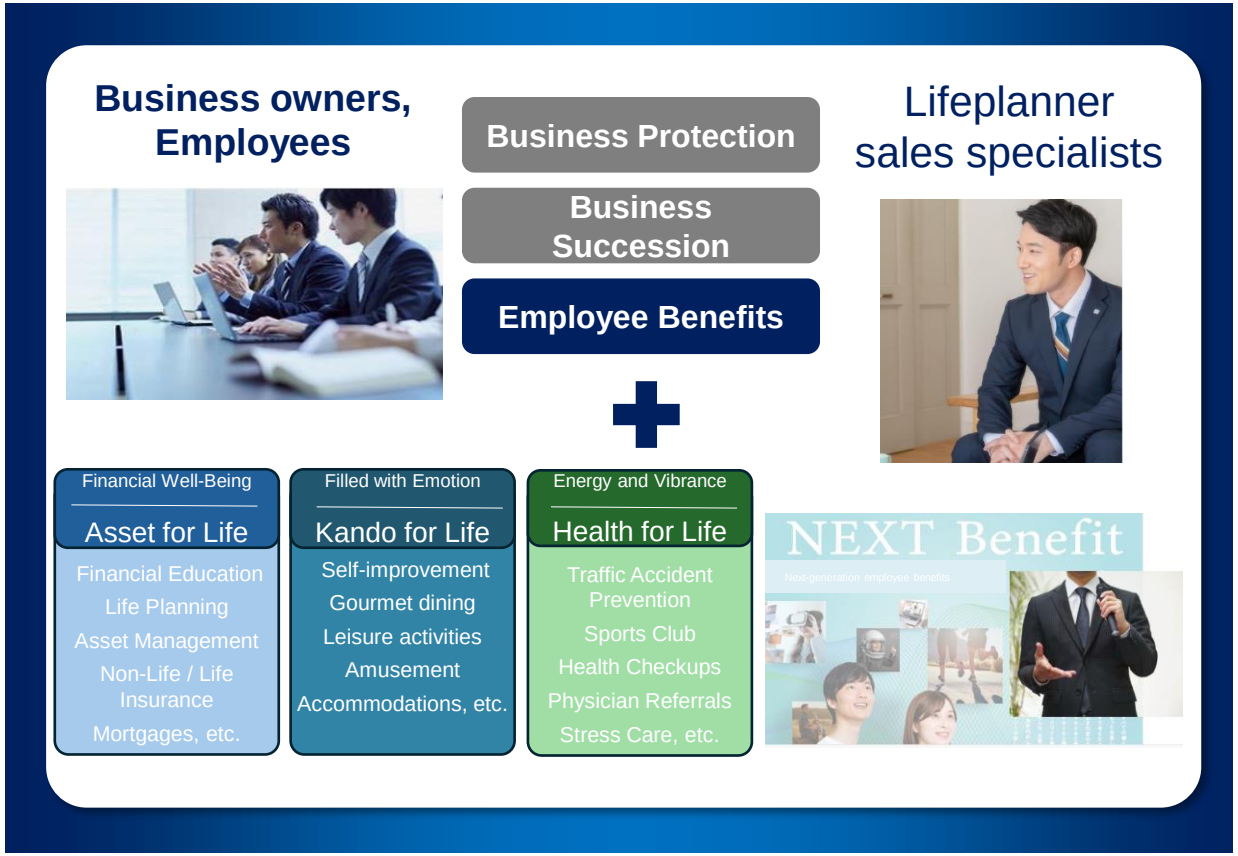
Providing highly convenient services through the new financial infrastructure that integrates insurance and banking functions and exploring collaboration with the Sony Group



*1: Variable Individual Annuity Insurance (SOVANI)

Appealing to the employee market through the provision of employee benefits services

Providing "Management Consulting" and "Life Planning" through Lifeplanner sales specialists to business owners and employees as part of employee benefits services



Sony FG's Initiative (2/2)

Expansion of online channels within Sony FG

Expand the Group's direct and online channels and strengthen collaboration with Lifeplanner channel

Sony Assurance

Handling life insurance products and completing transactions online

Direct/Online





Sony Life

Providing through Lifeplanner sales specialists

Lifeplanner channel



Exploring Non-Financial Services Through Collaboration with the Sony Group

Expanding non-financial services in the senior segment, starting with nursing care, including offering new rehabilitation experiences utilizing technology and entertainment

Changing Rehabilitation

Reha Play®



Exploration in the Care Sector

DX in Nursing Care Operations

In-Home Nursing and Remote Monitoring

Dementia Prevention

1 Sony FG: Initiatives of the Group Strategy

2 Life insurance business (Sony Life): FY25.1H Review and Future Initiatives

3 Non-Life Insurance Business (Sony Assurance): FY25.1H Review and Future Initiatives

4 Banking Business (Sony Bank) : FY25.1H Review and Future Initiatives

5 Sony FG: Financial Initiatives

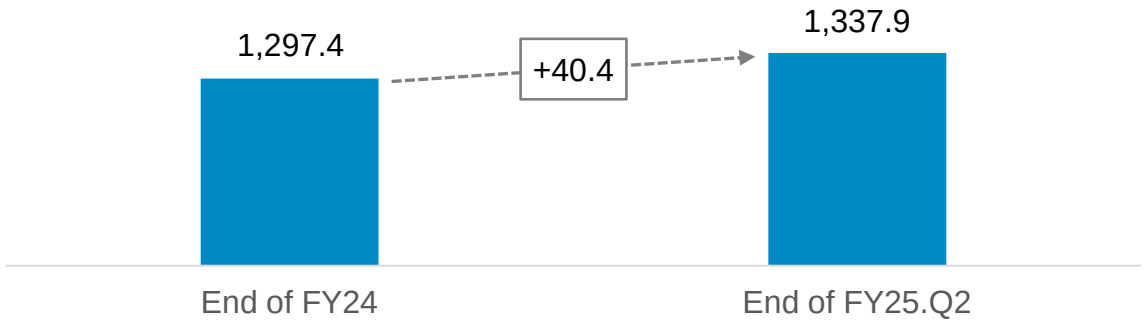
6 APPENDIX

Life Insurance Business: FY25.1H in Review

- While new policy acquisition remained solid, IFRS adjusted net income[*1] declined due to factors including rising interest rates
- In terms of financial soundness, ESR[*2] remains at an appropriate level even with rising interest rates due to the implementation of measures to strengthen the financial base

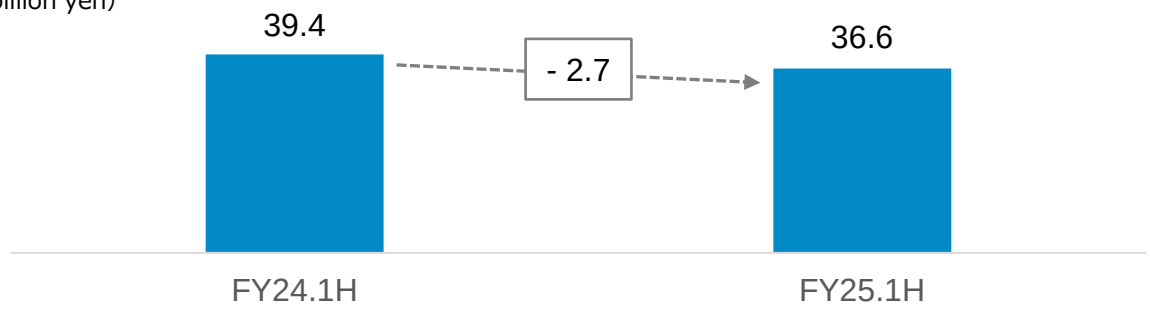
Annualized Premiums (AP) from Policies in Force[*3]

(billion yen)



IFRS Adjusted Net Income

(billion yen)



FY25.1H in Review

(1) New policy acquisition remained at a high level and annualized premiums from policies in force grew steadily

- ✓ Sales to corporate customers continued at a high level
- ✓ While sales to individuals decreased for SOVANI, income protection launched in July was strong.

(2) IFRS adjusted net income decreased mainly due to the impact of higher interest rates

- ✓ Loss components increased due to higher risk adjustment[*4] for mass lapse risk[*5] from rising interest rates and changes in estimated future cash flows of insurance policies

(3) ESR remains at an appropriate level even with rising interest rates due to the implementation of measures to strengthen the financial base

- ✓ Sold bonds and traded derivatives to reduce over-hedging
- ✓ Ceding of part of in-force block in October to improve future cash flow stability

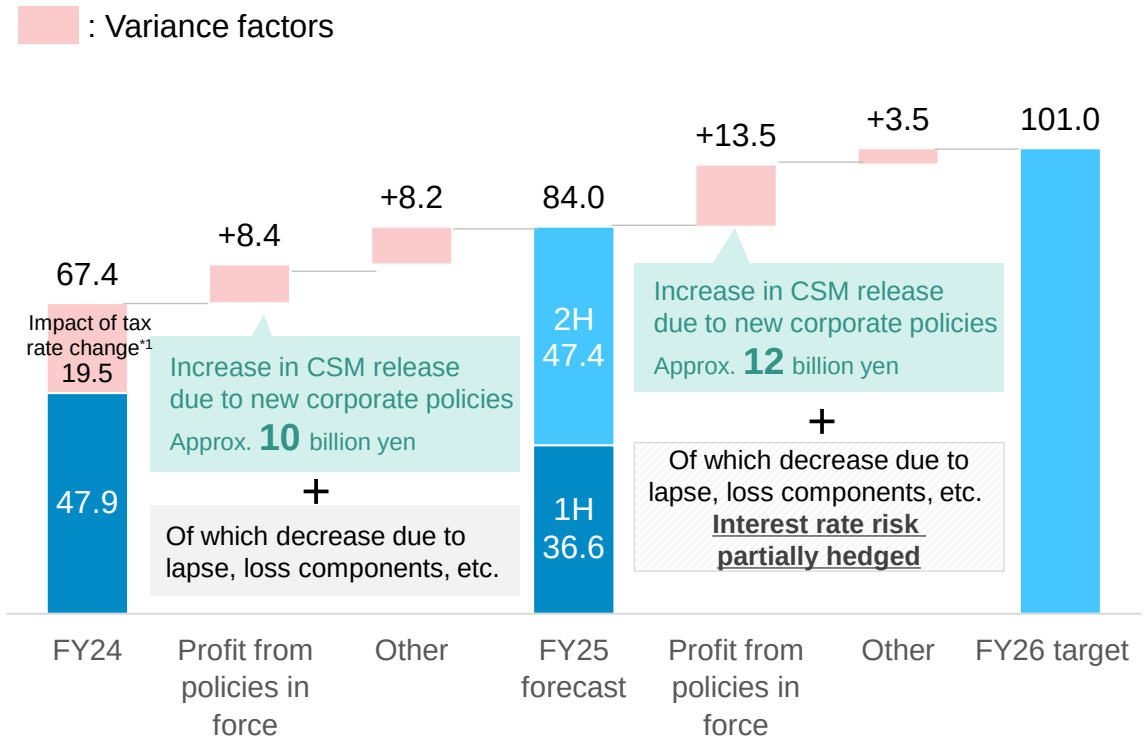
*1: IFRS adjusted net income is not a measure in accordance with IFRS Accounting Standards and J-GAAP. However, Sony FG believes that this disclosure may be useful information to investors. For further details about the calculation formula and reconciliations to adjusted net income, see pages 42-43; the same applies to subsequent pages
*2: ESR is the ratio of economic value-based capital (= economic value-based embedded value + frictional costs) to the amount of the economic value-based risk. ESR is calculated with reference to European Solvency II, ICS, and new economic value-based solvency regulation in Japan for broad management decisions. Note that simplified methods are used for some calculations, and no third-party validation of the calculation process or results is conducted; the same applies to subsequent pages
*3: Annualized premiums from policies in force are the total of individual insurance and individual annuities
*4: Risk adjustment for non-financial risks, a liability recognized as a provision for uncertainty in insurance policy cash flows, which is recognized in earnings over time. Mass lapse risk is part of the risk adjustment for non-financial risks
*5: An estimate of the economic value of in-force policies lost if 30% of all in-force policies were surrendered at once (difference between insurance liabilities and surrender values)

Life Insurance Business: Profit Plan and Specific Initiatives to Meet Targets

- Toward achieving the FY26 target, we will promote channel strategies to accelerate growth in the corporate market
- To drive further growth, we will focus on promoting individual segment and enhancing the sophistication and efficiency of sales activities through digital technologies. With regard to asset management, we will expand our initiatives to generate earnings while maintaining soundness as a fundamental premise

IFRS Adjusted Net Income Plan

(billion yen)



Specific Initiatives

Initiative for FY26 target: Accelerate growth in the corporate market

- ✓ Agency channel: Promote segment strategy by increasing the number of supporters and training them
- ✓ Lifeplanner channel: Improve productivity through both training and tool utilization

Initiatives for further growth:

Initiative 1: Promote sales to individuals in the areas of both protection and asset formation

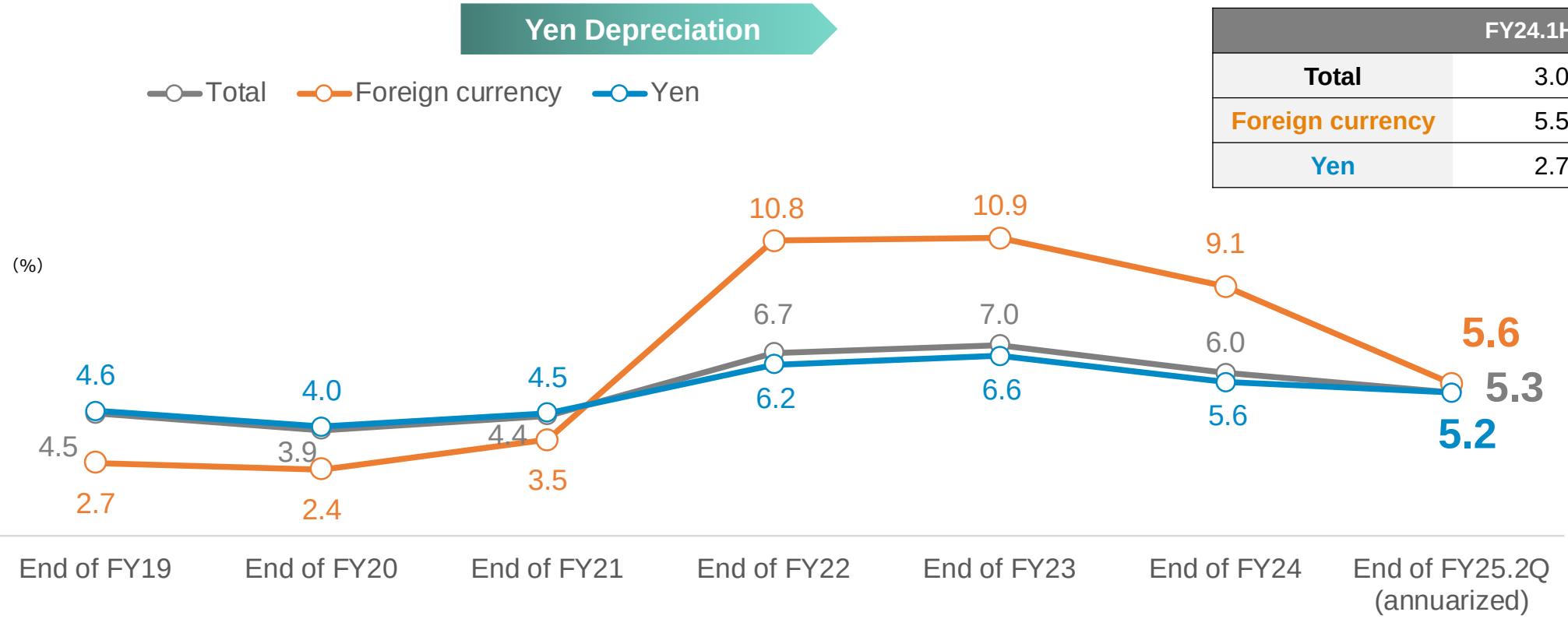
Initiative 2: Enhance and streamline sales activities using digital technologies

Initiative 3: Enhance the sophistication of asset management by both maintaining financial soundness and earning returns

*1: Introduction of the defense special corporation tax

Life Insurance Business: Trend in Lapse and Surrender

- The rapid depreciation of the yen and other factors led to an increase in lapse and surrender rates for foreign currency-denominated insurance policies from FY22 to FY23
- For yen-denominated insurance, lapse and surrender rates also increased slightly due to new product launches and premium rate revisions, but lapse and surrender rates of both types of insurance have now turned to a downward trend



	FY24.1H	FY25.1H
Total	3.0%	**2.6%**
Foreign currency	5.5%	**2.8%**
Yen	2.7%	**2.6%**

40-year JGB	0.44%	0.69%	0.95%	1.39%	1.94%	2.69%	3.31%
USD/JPY	108.83	110.71	122.39	133.53	151.41	149.52	148.88

Note: The ratio of the amount of contracts that are cancelled or expire, excluding reductions or increases in contract amounts and reinstatements, divided by the amount of policies in force at the beginning of the fiscal year.
Foreign currency-denominated and yen-denominated insurance breakdown figures exclude Sony Life With Insurance. Amount converted to yen for U.S. dollar-denominated insurance

Life Insurance Business: Overview of Business Segments

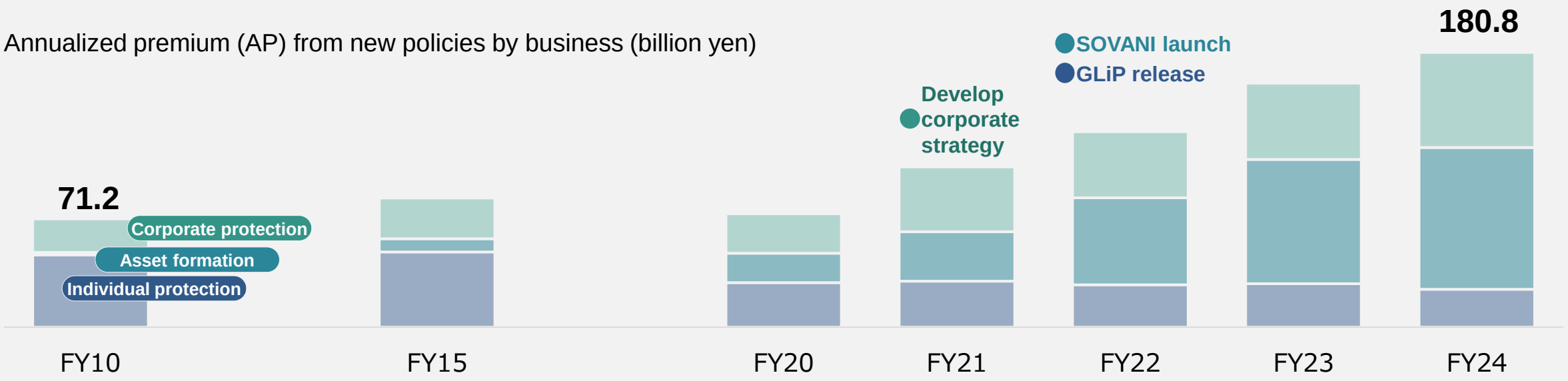
- Creating diverse customer value in the three businesses of individual, corporate, and asset formation through the fusion of life planning and digital technologies

Protect customers' fulfilling lives

We support our customers in achieving their purpose in life, and provide tailor-made consulting on protection and asset formation

	Individual protection	Asset formation	Corporate protection
Main targets	✔ Families ✔ Seniors	✔ Families ✔ Retirees and high net worth individuals	✔ Small companies with less than 50 employees
Products and tools	✔ Term insurance ✔ GLiP (lifeplanning tool)	✔ SOVANI ✔ GLiP (lifeplanning tool)	✔ Variable term insurance ✔ Biz-Plan WEB (consulting tool)

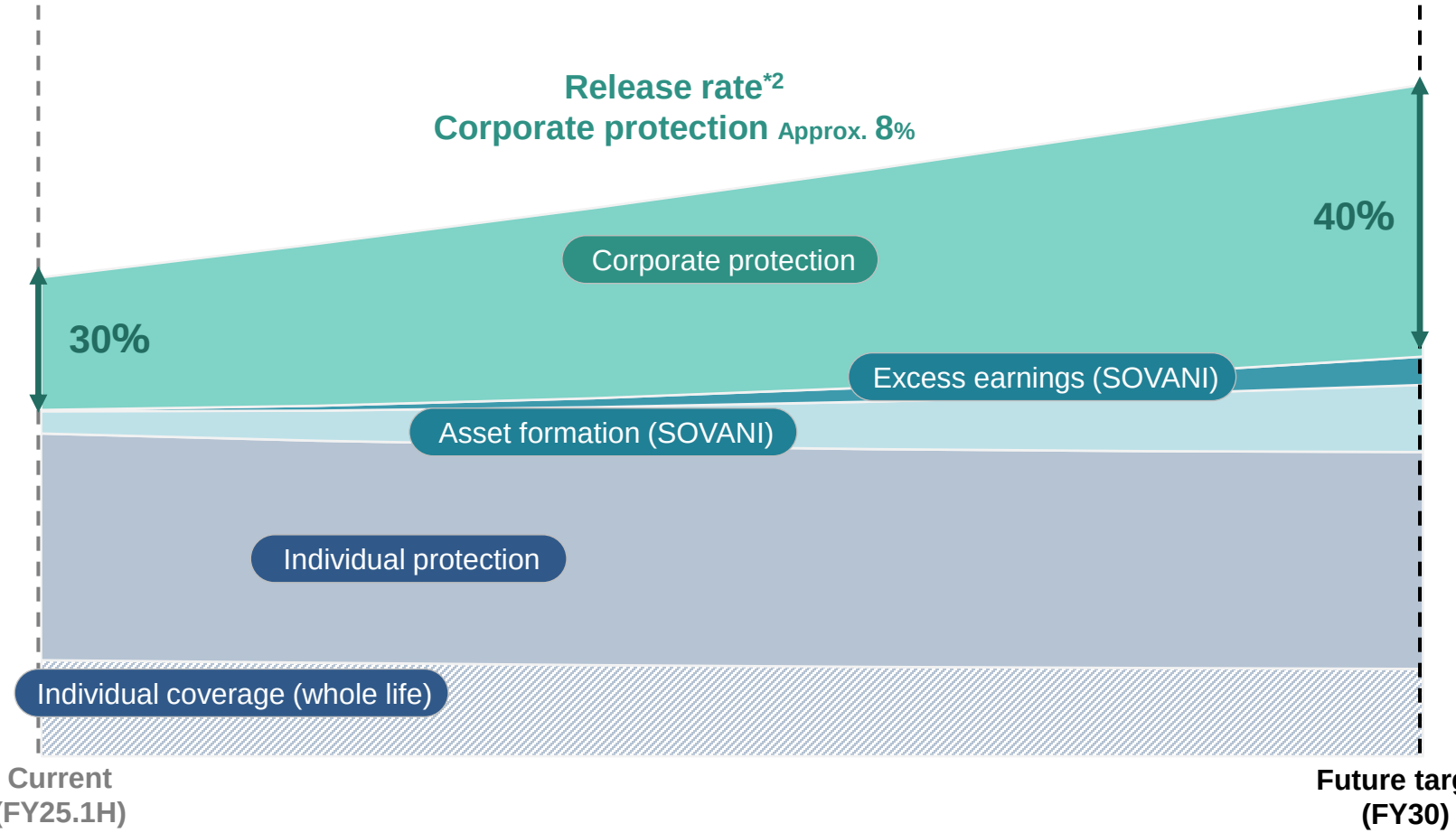
Annualized premium (AP) from new policies by business (billion yen)



Life Insurance Business: Profit Contribution by Segment and Future Approach

- We aim to drive profit growth with corporate protection and grow asset formation (SOVANI[*1]) as a new earnings pillar for the future, based on a stable individual protection base

Illustrative Image of Profit Contribution by Business Segment (CSM Release Amount)



Future Approach

Corporate protection

Accelerate the speed of growth and drive current profit growth

Asset formation

Steadily accumulate SOVANI's balance to grow it into one of the pillars of future earnings

Individual protection

Maintain as a stable earnings base

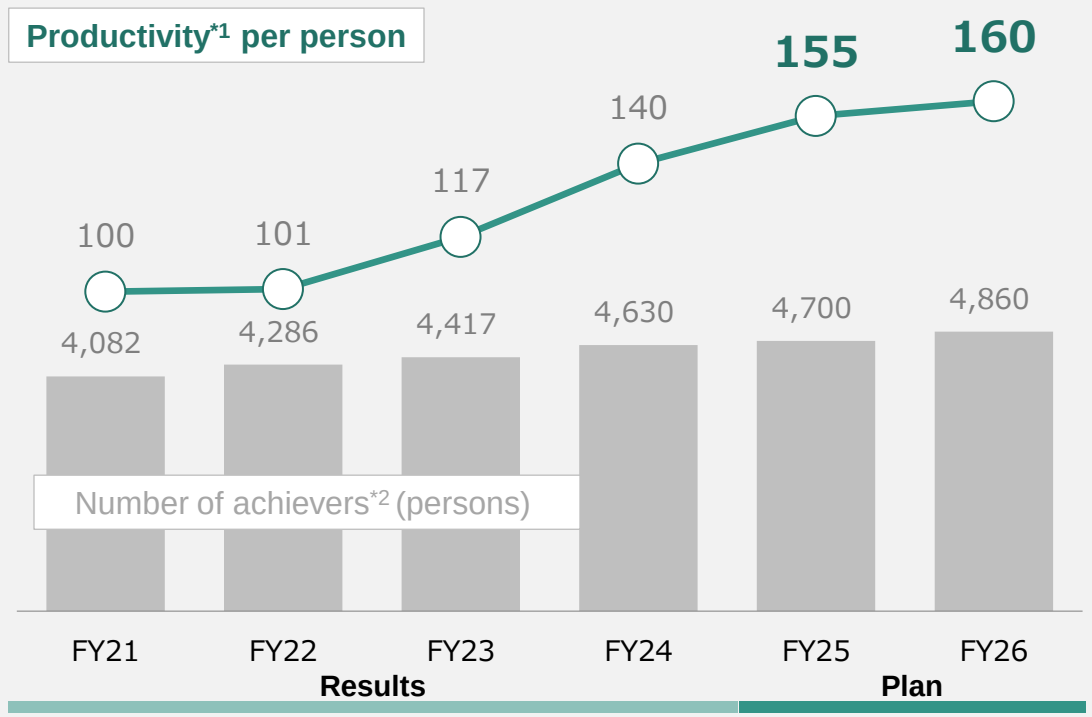
*1: SOVANI is a product with a balance-proportional fee. This chart shows the release rate assuming a 0% investment return. Excess returns (SOVANI) illustrate the increased release amount assuming a 7% investment return.
*2: The CSM release ratio is calculated using the pre-release CSM—which is the opening CSM plus new business CSM and other items—as the denominator.

Life Insurance Business: Corporate Protection (Lifeplanner Channel)

- Fostered momentum toward corporate business, expanding to the point where approx. 80% of Lifeplanner sales specialists now handle corporate clients
- Going forward, we will focus on improving productivity by enhancing our consulting capabilities through further promotion of the use of the business planning tool “Biz-Plan WEB” and strengthening the level-based training and support system

Strategic Approach

Improve productivity per person*1 through enhanced consulting



Initiatives to Improve Productivity*1 Per Person

Reinforcement of level-based training system

Ultra-top performers

Top and mid-tier performers

Challengers Newcomers

Business Succession Initiatives

Addressing the social issue of business succession by imparting tax and legal knowledge while collaborating with specialists to acquire higher-level skills

Corporate Academy

Practice the full process of obtaining financial statements, analyzing issues, and proposing solutions **to acquire highly reproducible skills**

One Team Project

Form a team with former agency supporters and conduct training. **Acquire basic skills through activities such as project consultations**

Onboarding

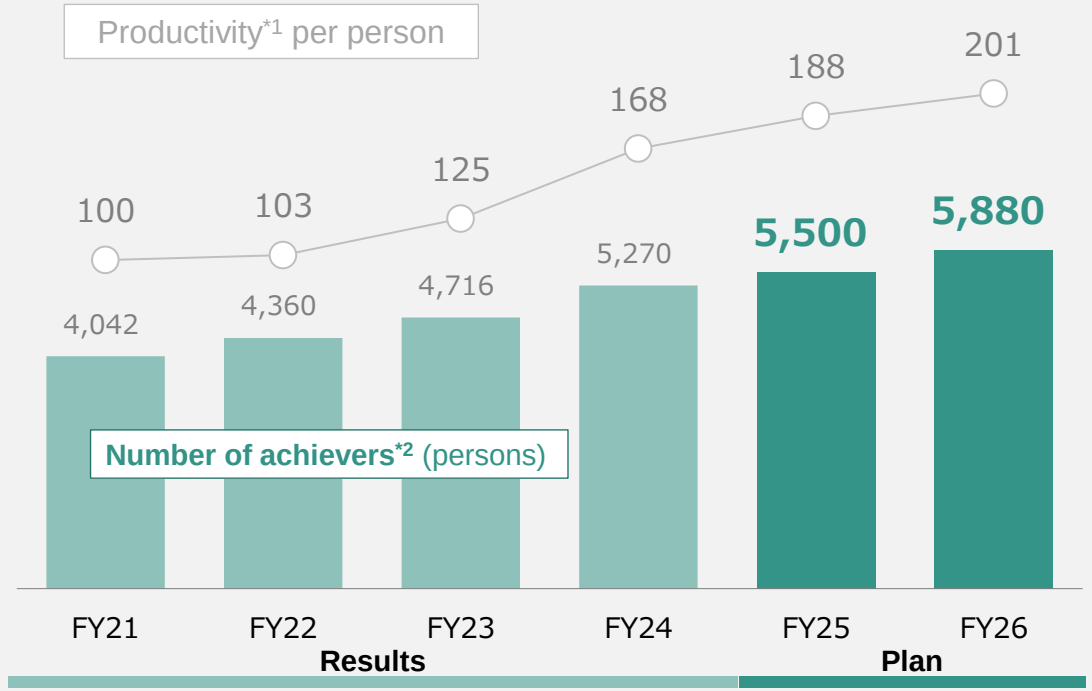
*1: Productivity is calculated as AP from new policies (internal management basis). Calculated with FY21 productivity set at 100 *2: Lifeplanner sales specialists who acquire at least one new policy from corporate customers during the period

Life Insurance Business: Corporate Protection (Agency Channel)

- Significant growth in corporate performance by leveraging our database of agencies and agents to efficiently support high-performing agents
- The expansion of our supporter base, a key driver of growth, is progressing steadily, and we will continue to strive for further increase in the number of achievers.

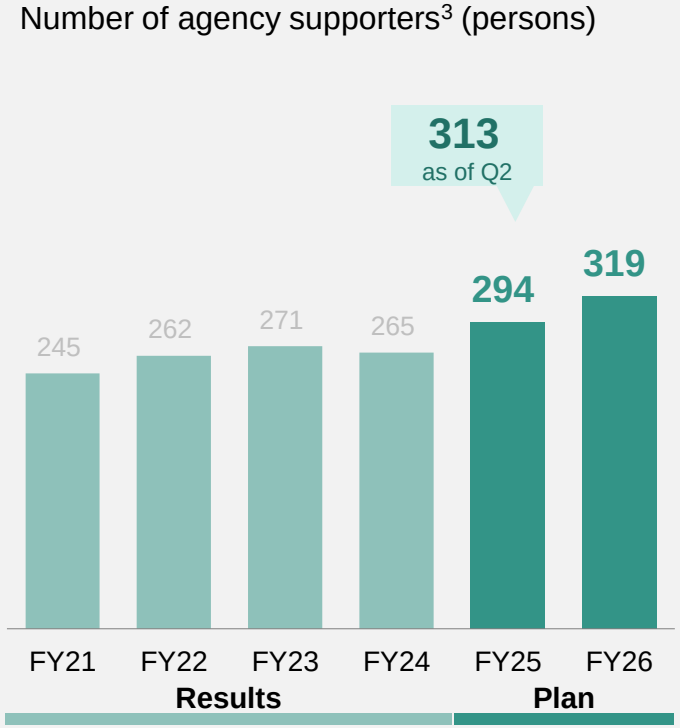
Strategic Approach

Strengthening supports to increase the number of achievers



Initiatives to Increase the Number of Achievers

Expanding the lineup of agency supporters



Key points

Introduced sales allowance to improve compensation
Achieving workforce expansion ahead of schedule through strong hiring and reduced turnover

Conducted human resource development ahead of schedule
Strengthening approaches to top-performing agents

*1: Productivity is calculated as AP from new policies (internal management basis.) Calculated with FY21 productivity set at 100
*2: Agents who acquire at least one new policy from corporate customers during the period

*3: Number of supporters includes number of assistant supporters

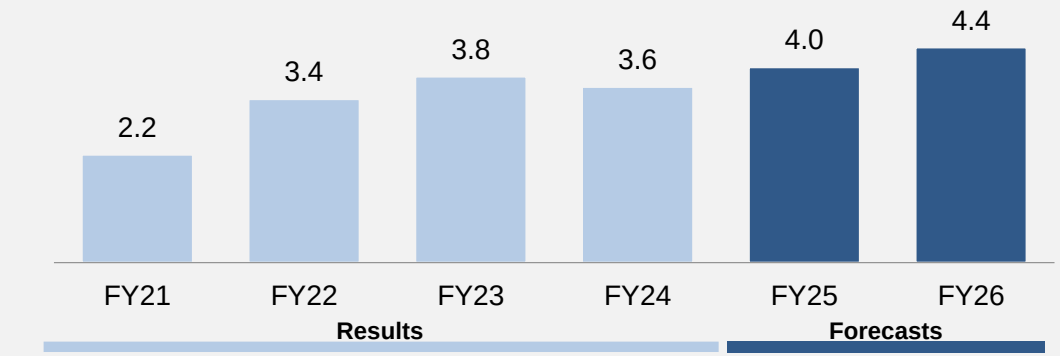
Life Insurance Business: Protection and Asset Formation for Individuals

- Promoting both protection and asset formation under total lifeplanning introduced in 2022. New policies for protection-type products are steadily expanding. SOVANI not only leads to acquiring new customers but also enables comprehensive proposals targeting families alongside term-type products.
- Going forward, we will strengthen our approach to seniors, promoting a model that expands from seniors to families and further to entire families.

Sales Status

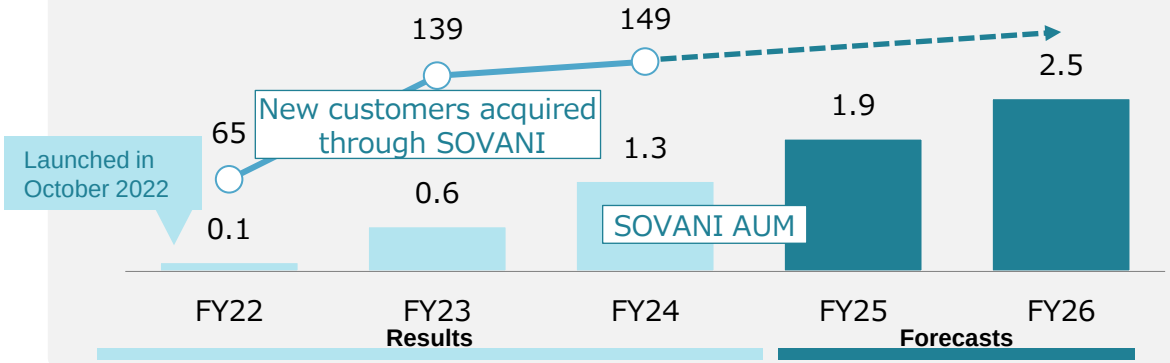
Trends in protection product sales

New policy amount*1 for protection products*2 (trillion yen)



SOVANI AUM*3 and number of new customers

SOVANI AUM (trillion yen), New customers starting from SOVANI (thousand)



*1: New policy amount are based on internal management figures
*2: Protection products refer to three types: term, income protection, and living benefits
*3: Assets under management

Initiatives to Achieve Both Protection and Asset Formation

Families

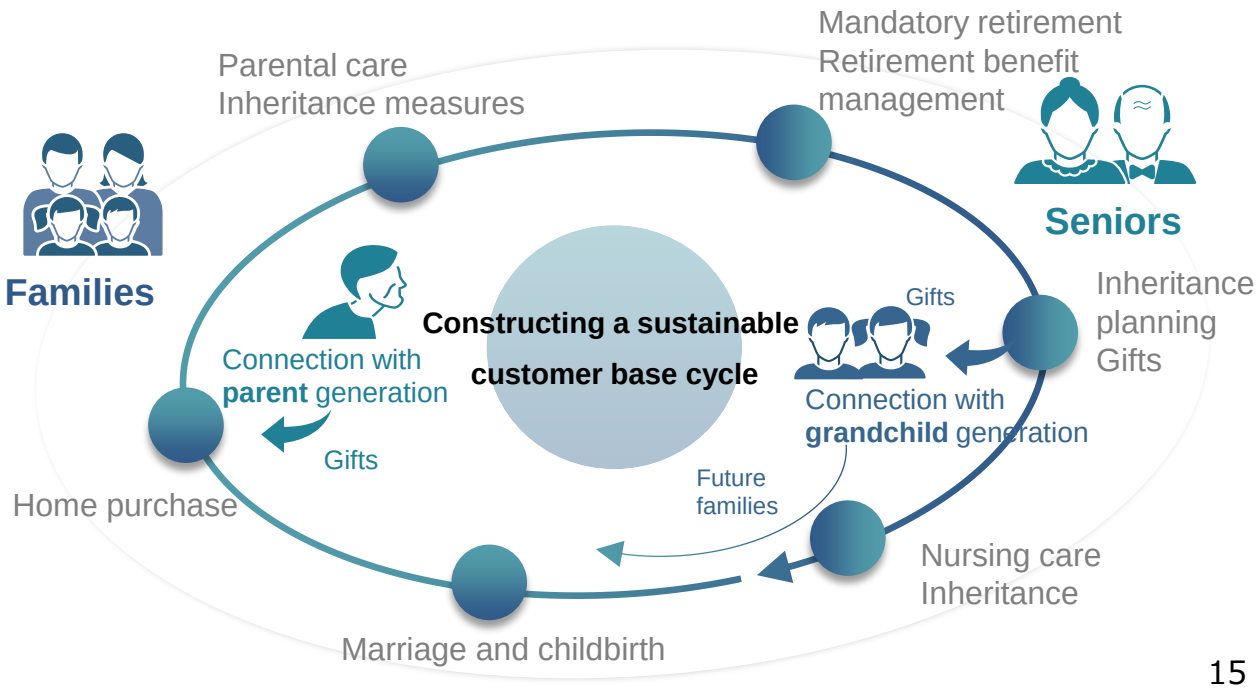
Comprehensive consulting approach based on GLiP

Proposals for both protection and asset formation

Seniors

Standardizing life-planning for seniors

Responding to the specific needs of seniors



Life Insurance Business: Enhance and Streamline Sales Activities Using Digital Technologies

- We will accumulate various types of data more deeply and widely, and promote their use

Input | Customer touchpoints through sales activities by Lifeplanner sales specialists, newsletters, and Web

GLiP
Basic lifeplanning tool

Biz-Plan WEB
Specialized tool for visualization of management issues

Customer website and app
Web services for existing policyholders, etc.



Customer's future plans, intentions, and values

Basic customer information

Consultation and web page browsing trends

Output | Operational efficiency

Next Best Action[*1] — Implemented
AI-powered contact theme suggestions for each customer

Number of consultations: **+14%**
Number of closings: **+16%**

AI secretary — From FY27
Streamlining Sales Administration Operations

AI-powered deep customer analytics | Surrender prediction — FY25
Using **over 1,000 features** from existing policy data for effective follow-up

PoC in progress
(Analysis is underway)

Output | Improvement of customer experience value

Personalized newsletters — From FY27
Provide information tailored to each individual

AI customer service — Under consideration
Complete product proposals and policy maintenance with AI

*1: Next Best Action uses AI to extract each customer's life events and interests from information such as GLiP and meeting records, presenting personalized contact themes.

Life Insurance Business: Enhance Sophistication of Asset Management by Both Maintaining Financial Soundness and Earning Returns

- We are halfway to strengthening our financial base and will continue reducing interest rate over-hedging, secure risk tolerance, and expand our efforts to earn returns.

	As Is	Issues	To Be
Policy	Focus on ALM		ALM + acquisition of excess returns
Financial soundness	[Hedging interest rate risk] Investment in ultra-long-term bonds Purchasing ultra-long-term bonds to hedge the increased interest rate risk due to falling interest rates	Decrease in ESR	[Hedging interest rate risk] Reduction of over-hedging Sale of bonds Utilization of derivatives Cash flow matching
Financial soundness		Over-hedging due to rising interest rates	
Investment returns	Accumulation of ultra-long-term bonds contributes to the increase in returns	Limited earnings growth due to reduced ultra-long-term bond investments	[Earning returns] Investment in risk assets FY25~ Alternative investments*1 Plan to invest 50 billion yen in FY25

Earning excess returns while maintaining financial soundness

Acquisition of investment know-how Strengthening investment capability

*1: PE (private equity), PD (private debt), infrastructure, real estate, etc.

1 Sony FG: Initiatives of the Group Strategy

2 Life insurance business (Sony Life): FY25.1H Review and Future Initiatives

3 Non-Life Insurance Business (Sony Assurance): FY25.1H Review and Future Initiatives

4 Banking Business (Sony Bank) : FY25.1H Review and Future Initiatives

5 Sony FG: Financial Initiatives

6 APPENDIX

Non-Life Insurance Business: FY25.1H in Review

- Direct premiums written grew 14.1% YoY as core automobile and fire insurance performed steadily.
- IFRS Adjusted net income increased 2.0 billion yen YoY due to a lower loss ratio as a result of factors including decrease in natural disasters and appropriate premium rate revisions, as well as business expense management.

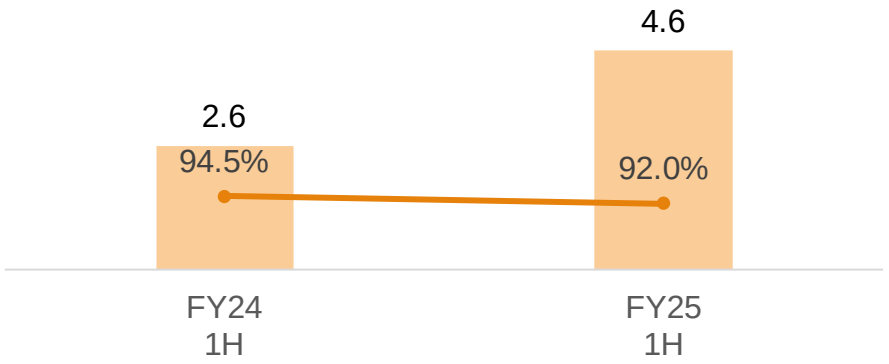
J-GAAP：Direct premiums written

(billion yen)



IFRS Adjusted Net Income / J-GAAP: Combined Ratio*1

(billion yen)



*1: E.I. loss ratio + net expense ratio

FY25.1H in Review

(1) Top line (direct premiums written) remained steady

✓ Growth of 14.1% YoY was achieved through higher response acquisition efficiency in automobile insurance, a revenue growth from an increase in the unit price through rate revisions, and a revenue growth in fire insurance through new advertising and enhanced web marketing.

(2) IFRS adjusted net income increased mainly due to a lower loss ratio

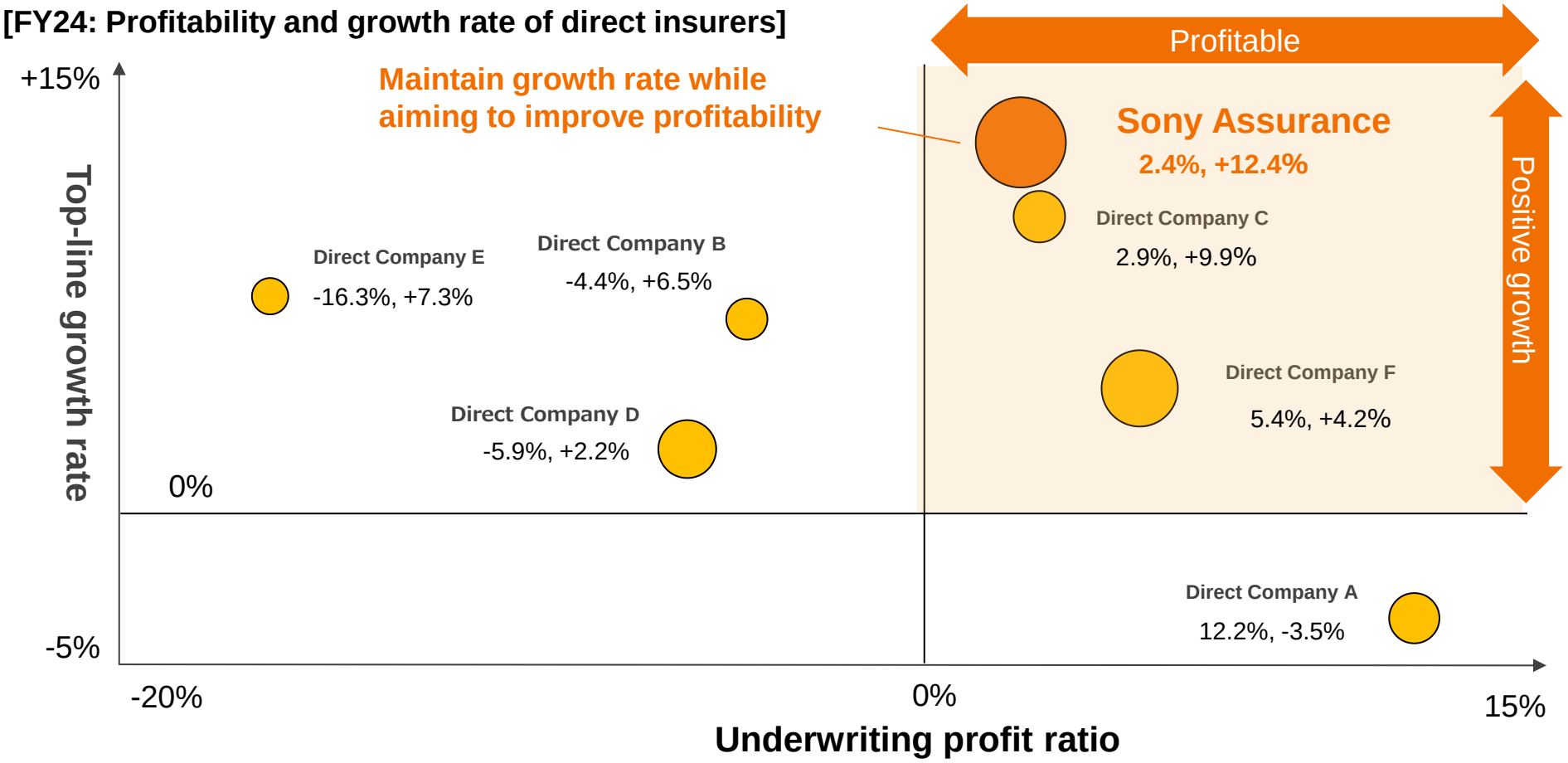
✓ The loss ratio improved YoY due to a decrease in natural disaster losses and an increase in the unit price from appropriate premium rate revisions.

✓ Business expense ratio improved YoY due to appropriate cost control and the effect of increased revenue.

Non-Life Insurance Business: Industry Position and Future Vision

- Despite a difficult environment industry-wide in FY24 due to a worsening loss ratio, we achieved steady top-line growth while maintaining profit.
- We will continue to balance profitability and growth rate while further increasing profitability through measures including appropriate and flexible premium rate revisions.

[FY24: Profitability and growth rate of direct insurers]



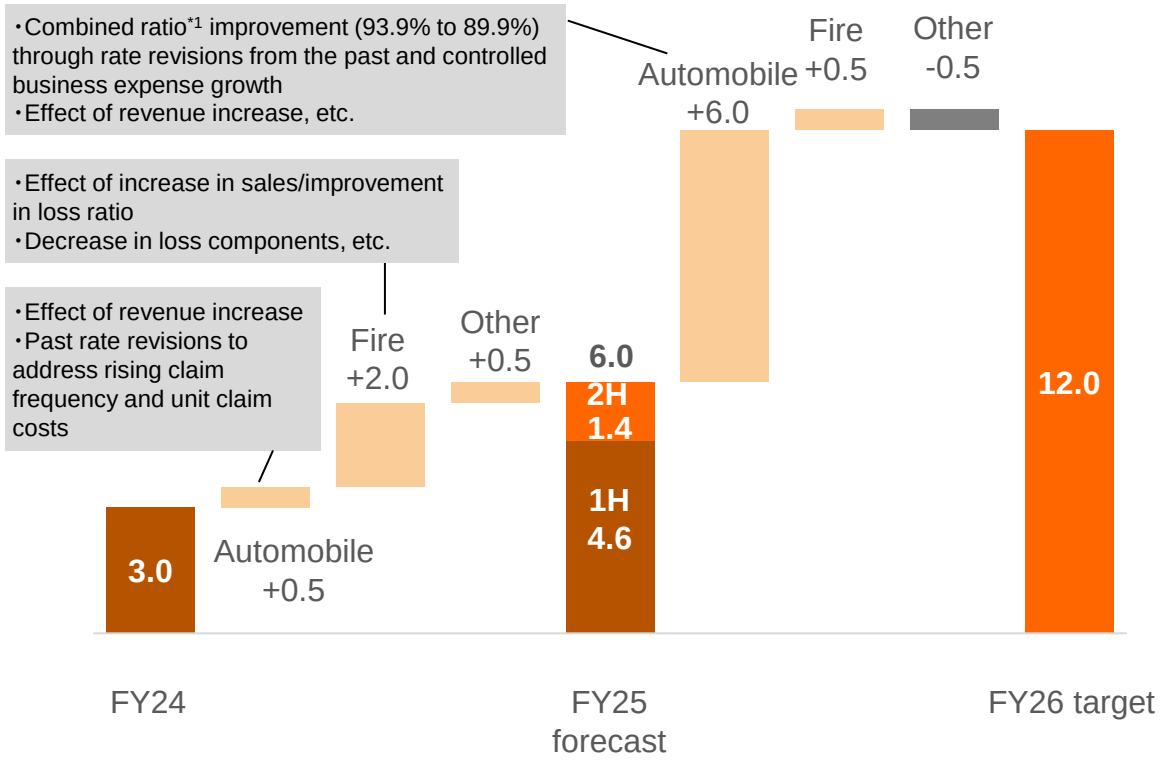
Source: Company filings
Note1: Percentage figures on the left show underwriting profit ratios and the figures on the right show top-line (direct premiums written) growth rates
Note2: The size of the circle indicates the amount of the direct premiums written
Note3: Under writing profit ratio = (underwriting profit + catastrophe loss reserve increase) / net premiums written

Non-Life Insurance Business: Profit Plan and Specific Initiatives to Meet Targets

- For FY25, full-year forecast remains unchanged, assuming no major natural disasters beyond assumptions occur.
- In FY26, we aim to reliably achieve profit targets in core automobile insurance through the cumulative effect of premium rate revisions and enhancement of reinsurance.

IFRS Adjusted Net Income Plan

(billion yen)



*1: E.I. loss ratio + net business expense ratio
*2: J-GAAP Adjusted ordinary profit basis (Adjusted ordinary profit = Ordinary profit + Provision for catastrophe reserve)

Specific Initiatives

Initiative toward FY26 target: Combined ratio control in automobile insurance

✓ Maintain growth and improve profitability in core automobile insurance mainly through the cumulative effect of rate revisions and enhancement of reinsurance

Initiatives for further growth:

(1) Expanding the scope of auto insurance

✓ Strengthen acquisition through target market development, market long-term auto insurance, and develop agency channel to drive further top-line growth

(2) Initiatives to achieve profitability*2 in fire insurance

✓ Expand policies in force leveraging marketing strengths

✓ Aim to become the second pillar of revenue after auto insurance

(3) Strengthen cross-selling mainly through pet insurance, overseas travel insurance, small-amount short-term insurance

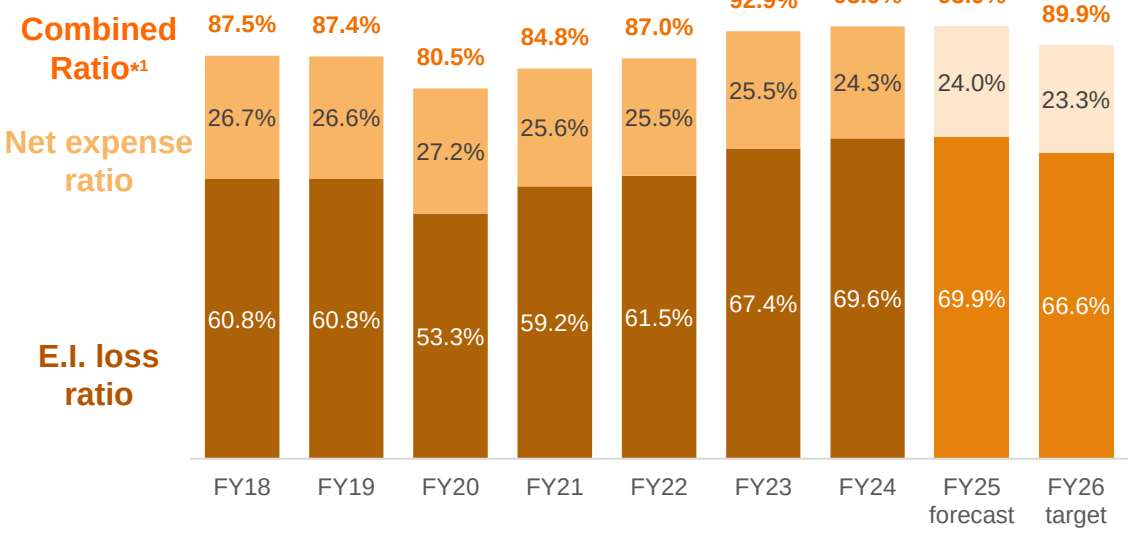
Non-Life Insurance Business: Auto Insurance: Combined Ratio Control

- We manage the combined ratio by flexibly implementing rate revisions in response to rising loss ratio trends.
- Along with rate revisions, we are pursuing top-line growth measures and considering the introduction of reinsurance for further profit stabilization to ensure the achievement of the profit plan.

Auto Insurance：Combined Ratio*1

Reduction in claim frequency due to COVID-19

Flexibly implement rate revisions based on trends in claim frequency and unit claim costs



Measures for Top-Line Growth

Strengthen Marketing

Continue investment in marketing costs to maintain top-line growth.

- ✓ Continue investing in marketing costs without reduction in FY25 to expand new and in-force policies
- ✓ Advertise across TV, the Web, social media, and other forms of media

Improve Service Levels

Implement roadside service upgrades in conjunction with rate revisions, and consider expansion in the future.

Released May 2025*2

Made the following items free of charge

- ✓ Tire puncture repair kit cost
- ✓ Emergency response service cost exceeding 30 minutes

Consider Introduction of Reinsurance to Further Stabilize Profits

We are considering strengthening reinsurance policies for FY26 to avoid significant loss of profits even in the event of a natural disaster beyond assumptions or a significant upward swing in claim frequency and unit claim costs.

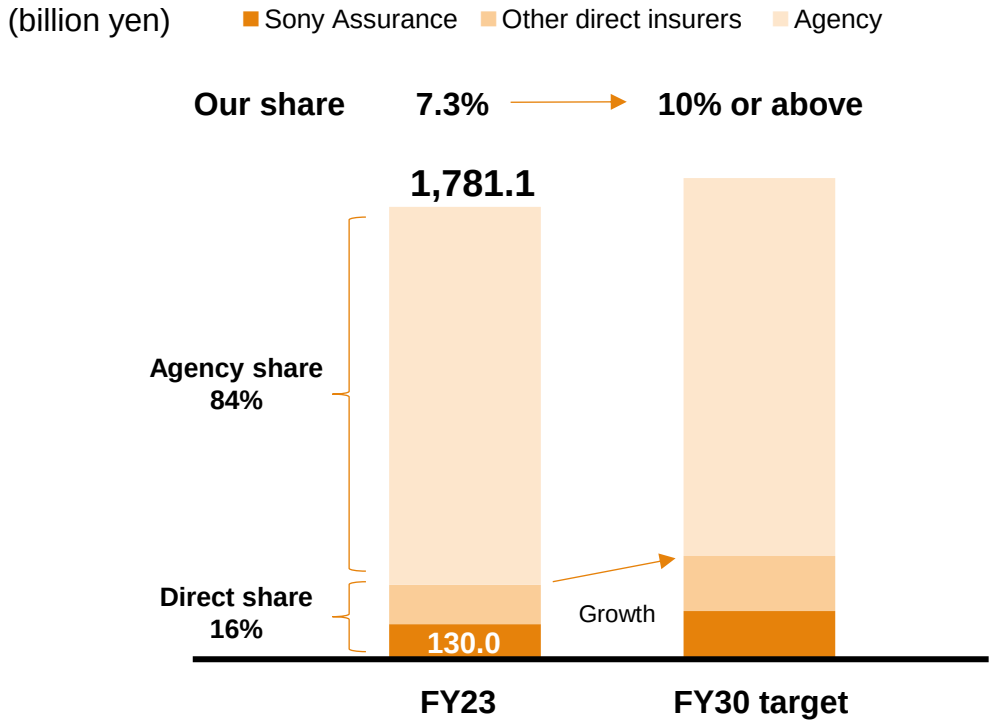
*1: E.I. loss ratio + net expense ratio

*2: Upgraded roadside service for customers in the second year of the policy and thereafter

Non-Life Insurance Business: Approach to Growth in Automobile Insurance

- In the market limited to non-fleet, 8 private-use vehicle types, and 1-year policies only, the direct channel share has grown to approx. 16% based on sales premiums.
- Our market share is approx. 7%, and we aim to expand the customer base with new markets, products, and channels for further growth.

Automobile Insurance (1-Year Policy) Market*1,2 (Based on sales premiums)



Points for Further Strengthening Toward Growth

(1) Strengthen target markets development

Region

SMEs

Strengthen collaboration with Sony Life Lifeplanner sales specialists

(2) Pursue products not yet offered by any direct insurer

Long-term insurance

Long-term insurance market valued at 1.4 trillion yen*1,2
(Start consideration of entry)

(3) Capture agency channel needs

Strengthen partnerships and alliances

- Low-involvement agencies
- Alliance partner insurance

Adoption of an omnichannel approach

- Store-type direct

*1: Non-fleet, 8 private-use vehicle types
*2: Estimated from General Insurance Rating Organization of Japan data

1 Sony FG: Initiatives of the Group Strategy

2 Life insurance business (Sony Life): FY25.1H Review and Future Initiatives

3 Non-Life Insurance Business (Sony Assurance): FY25.1H Review and Future Initiatives

4 Banking Business (Sony Bank) : FY25.1H Review and Future Initiatives

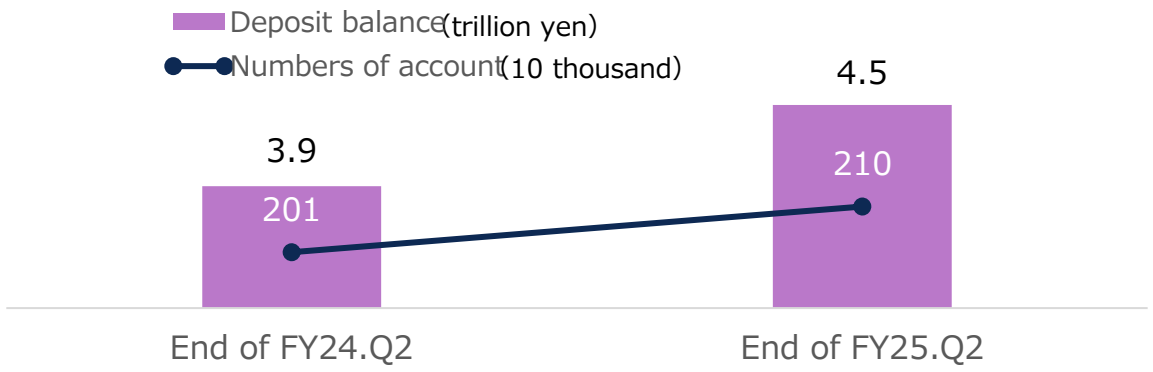
5 Sony FG: Financial Initiatives

6 APPENDIX

Banking Business: FY25.1H in Review

- IFRS adjusted net income progressed according to plan, with strong performance in the foreign currency business (securities investments) capitalizing on persistently high overseas interest rates.

Deposit balance and numbers of account



IFRS Adjusted Net Income



FY25.1H in Review

IFRS adjusted net income in line with the plan

✓ **Foreign currency business**
・Securities investments continued to perform well, capitalizing on sustained high overseas interest rates

✓ **Yen business**
・Business scale and earnings are steadily expanding amid intensifying competition in a “world with interest rates.”

Migration to a new core banking system (May 2025)

✓ **Swift business development through cloud-based infrastructure**

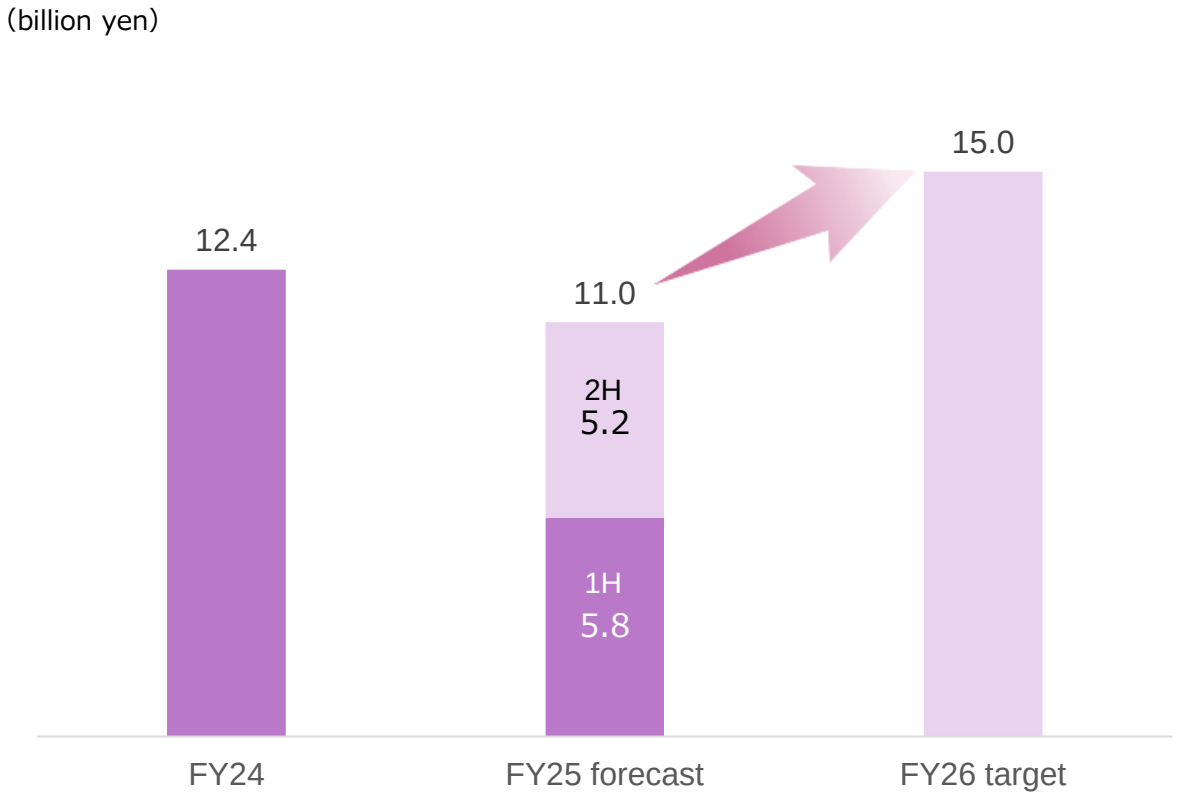
1. Family strategy: Launched family debit card and started family benefit program
2. Advanced marketing: One-to-one marketing platform now operational
3. Easy facilitation of external collaboration and adoption of new technologies: Planning to launch BaaS

*1: One-time factors related to securities investments

Banking Business: Specific Initiatives to Meet Profit Forecasts and Targets

- In order ton achieve our FY26 profit target, we are working to expand our business through new product offerings, diversify our investment portfolio, and strengthen profitability by maintaining appropriate deposit-loan spreads.
- Looking toward medium- to long-term growth, we aim to expand our customer base and create value through initiatives such as BaaS in collaboration with Sony FG and the Sony Group.

IFRS Adjusted Net Income



Specific Initiatives

Initiatives to achieve FY26 targets

✓ **Foreign currency business**
- In an environment where overseas interest rates are expected to decline, we aim to further grow balances by offering flexible interest rates and enhancing remittance convenience and secure earnings from securities investments.

✓ **Yen business**
- Deposits: We will maintain a certain level of interest rate competitiveness while strengthening the acquisition of low-cost liquid deposits through the introduction of new products.
- Mortgage loans: We will continue to ensure appropriate interest margins, and accumulate retail real estate-related assets, including the purchase of highly profitable loans.

Group collaboration initiatives for medium- to long-term growth

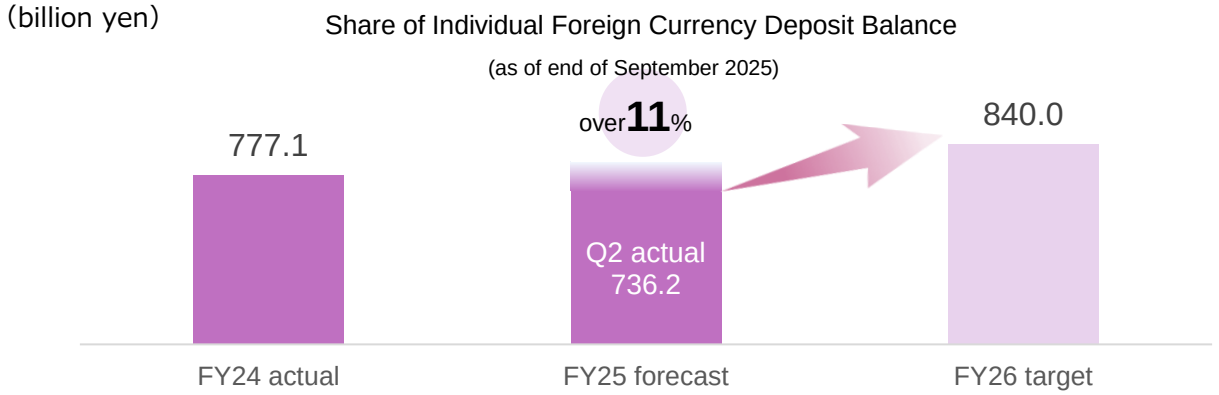
✓ **BaaS deployment**
- Collaboration with Sony Life
- Collaboration with the Sony Group's entertainment businesses

✓ **web3 business**
- Preparing for commercialization of stablecoin operations
- Launch of operations by advanced banking service

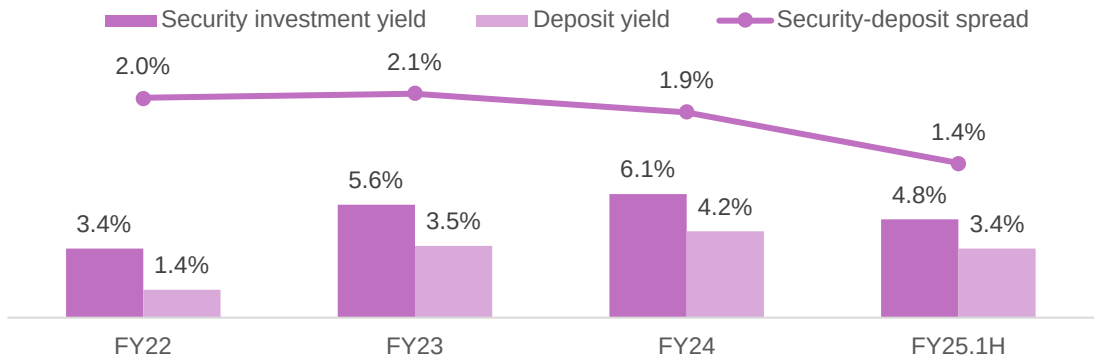
Banking Business: Foreign Currency Business

- As overseas interest rates are expected to decline, we aim to strengthen Sony Bank's presence as the "bank for foreign currency" by managing flexible interest rates and enhancing convenience, aiming to attract deposits and expand earnings through securities investments.

Foreign currency deposits at end of period

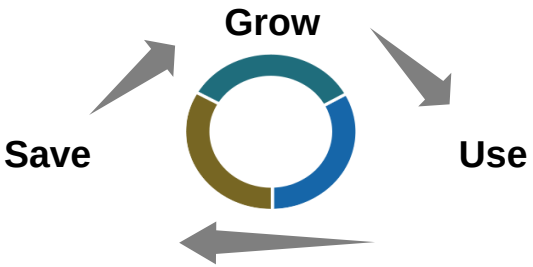


Security-deposit spread



Highlights

Forex world A world where foreign currencies can be used as freely as yen



Save
10 foreign currencies
Low forex fees

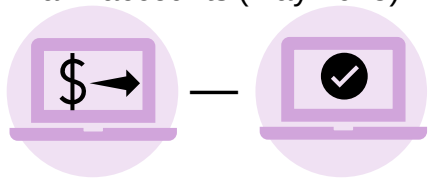
Grow
Attractive interest rates
Foreign currency investment trusts, FX

Use
Multicurrency debit card
Overseas ATM withdrawals
Foreign currency remittances

Strengthen

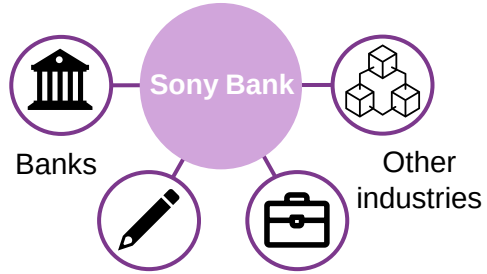
Enhanced deposit and withdrawal functionality in response to SWIFT specification changes

Foreign currency transfers between Sony Bank accounts (May 2025)



Sony Bank foreign currency checking accounts

Promote alliances

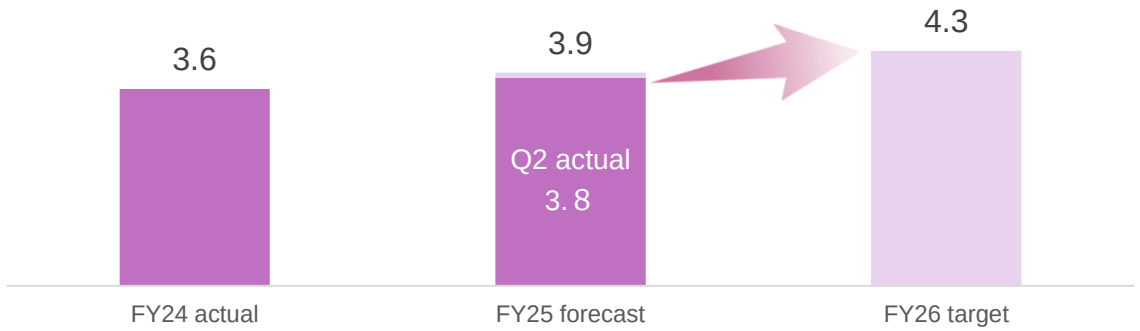


Banking Business: Yen Business

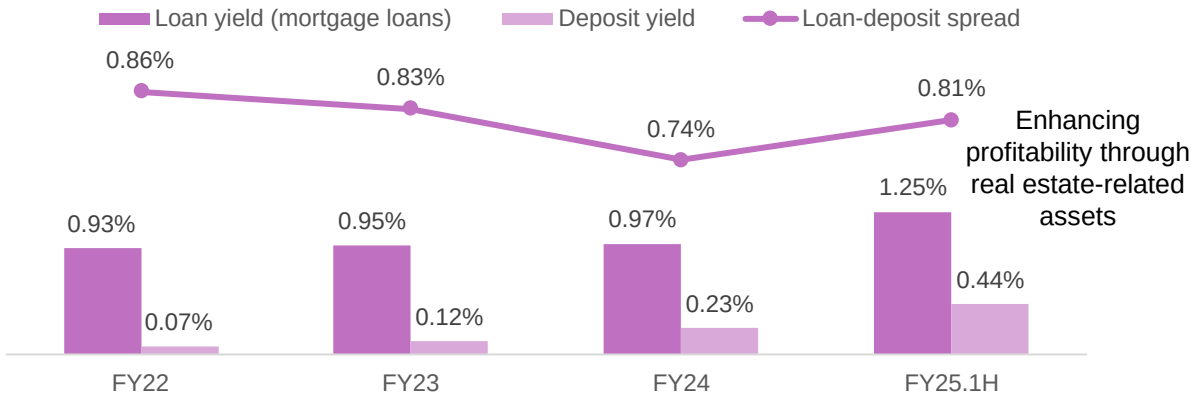
- While maintaining a certain level of interest rate competitiveness for yen deposits, we are strengthening the acquisition of low-cost liquid deposits through the introduction of new products and services.
- For mortgage loans, we are prioritizing the maintenance of appropriate interest margins and working to enhance profitability through retail real estate-related assets.

Yen deposits at the end of period

(trillion yen)

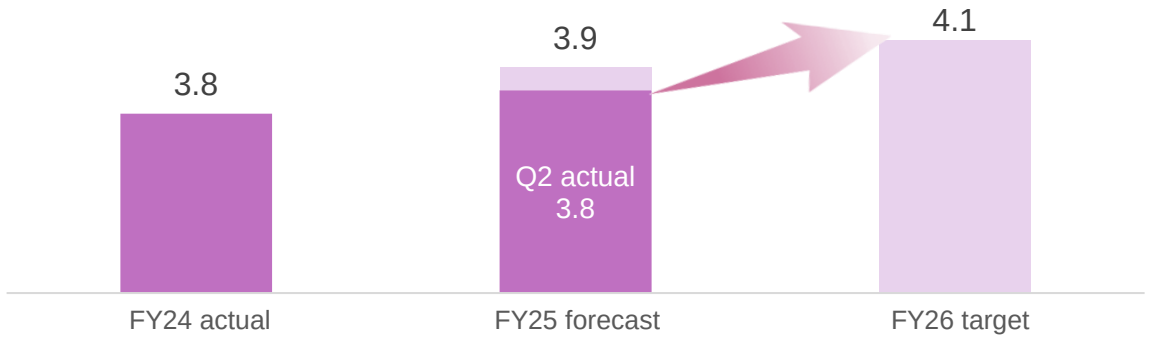


Loan-deposit spread



Balance of Retail Real Estate-Related Assets*1

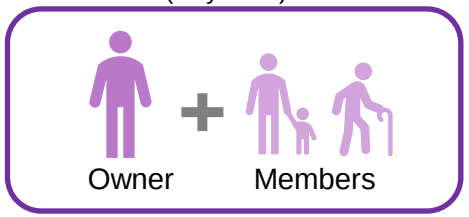
(trillion yen)



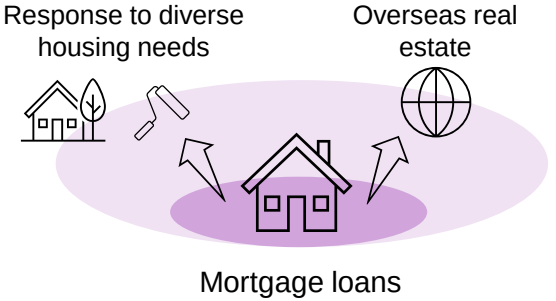
Highlights

Family-targeted approach

Preferential services offered based on the overall transaction status of the entire family (May 2025)



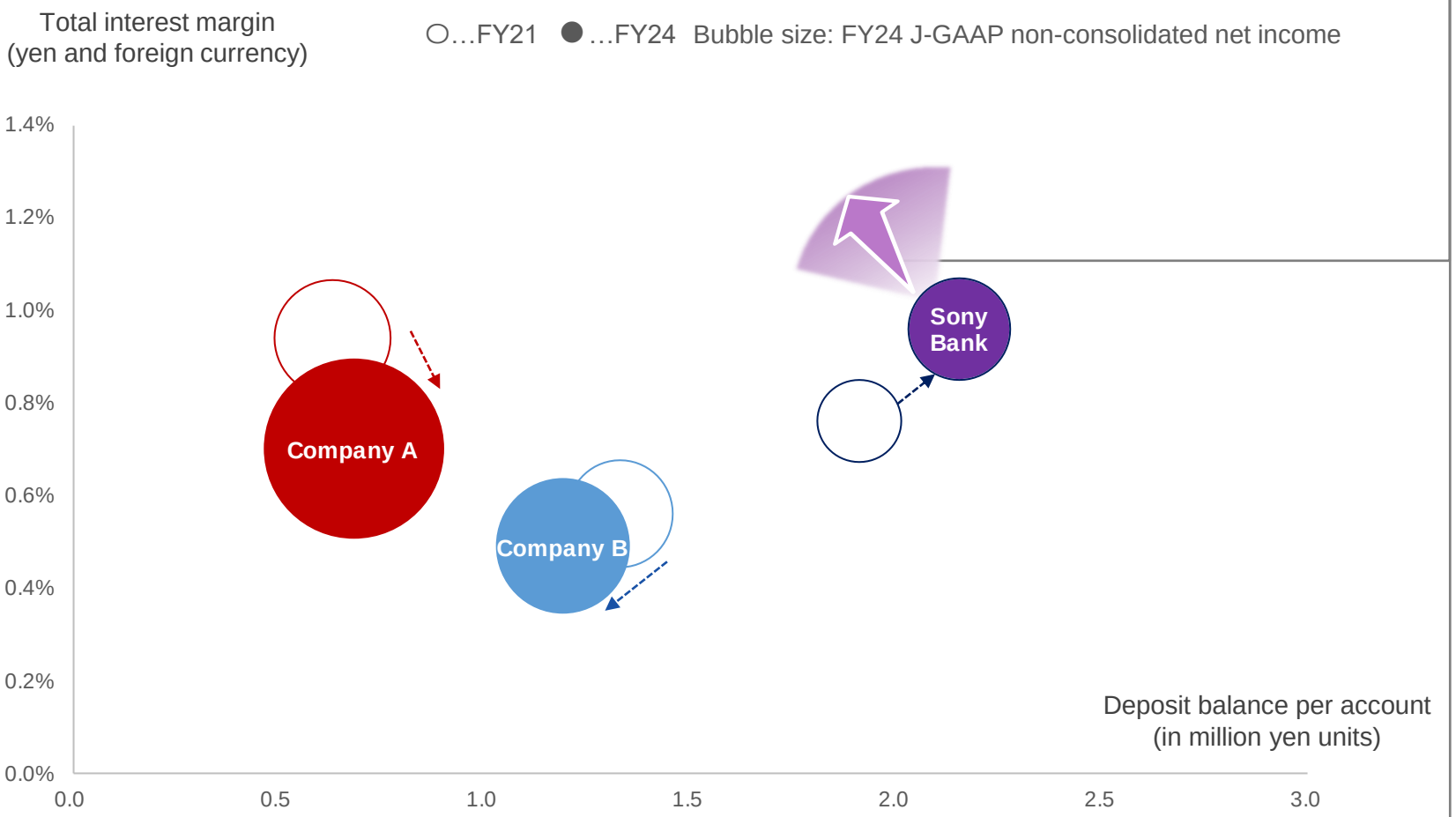
Initiatives involving retail real estate-related assets



*1: Indicates the total of mortgage loan balances and retail real estate-related assets, including loan claims and securities investments.

Banking Business: Industry Position and Growth Strategy

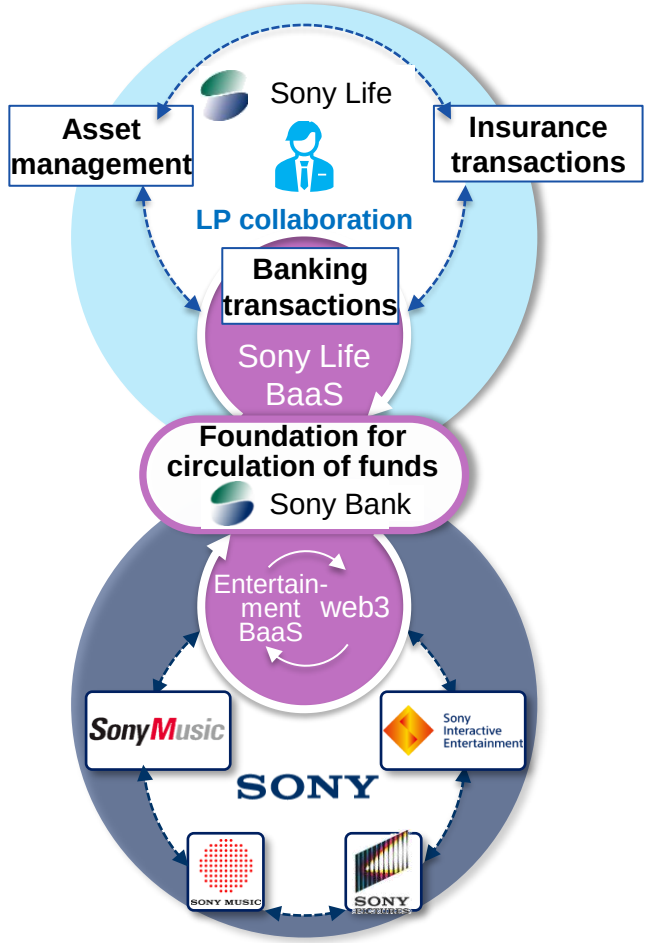
Advantage of a High-Quality Customer Base



Source: Company filings

Growth Strategy: "Borderless Digital Banking"

1 Group collaboration (Sony FG, Sony Group)



2 Further strengthen the foreign currency business

1 Sony FG: Initiatives of the Group Strategy

2 Life insurance business (Sony Life): FY25.1H Review and Future Initiatives

3 Non-Life Insurance Business (Sony Assurance): FY25.1H Review and Future Initiatives

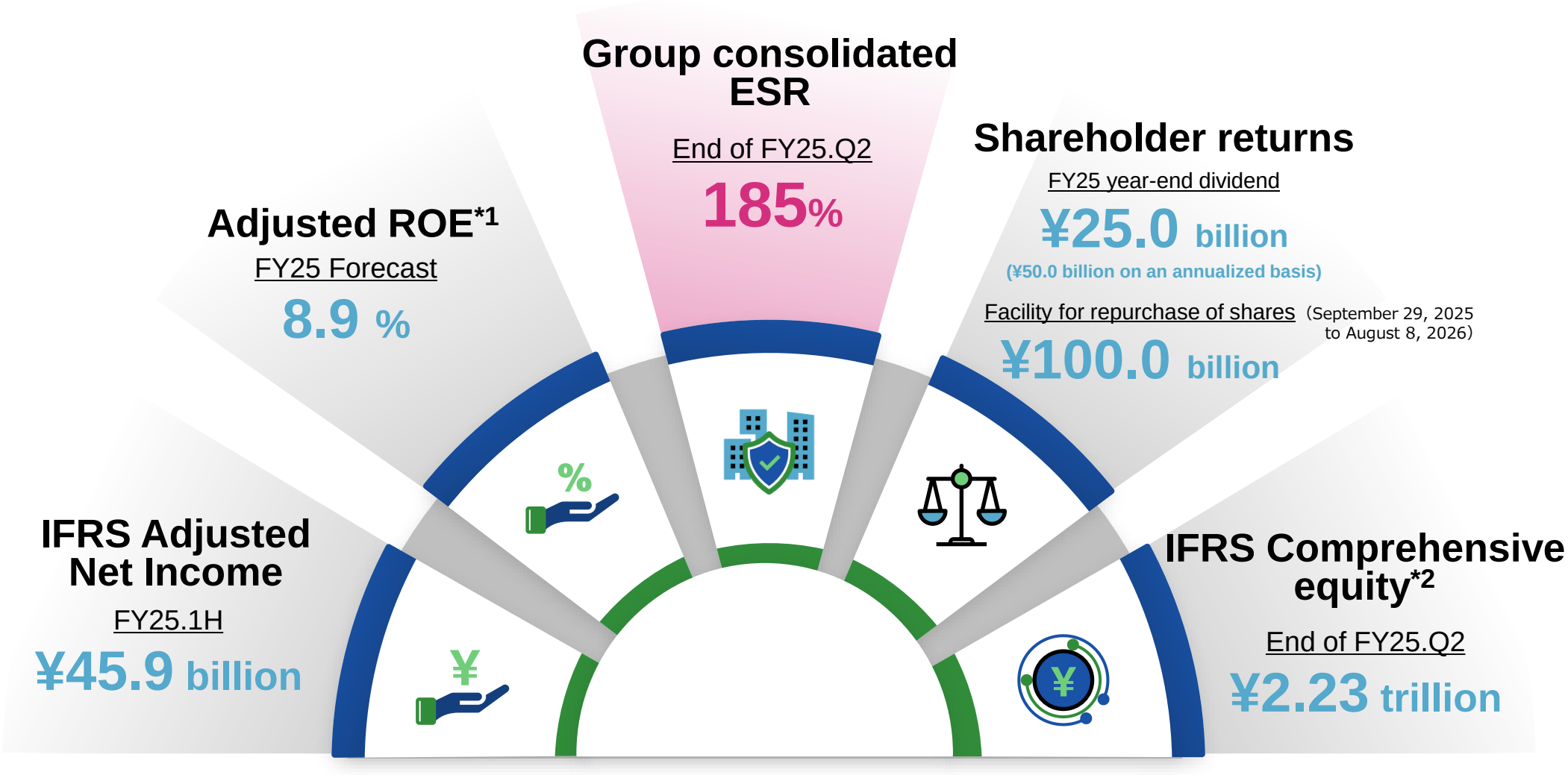
4 Banking Business (Sony Bank) : FY25.1H Review and Future Initiatives

5 Sony FG: Financial Initiatives

6 APPENDIX

Sony FG's Key Financial Indicators

- While maintaining financial soundness, we aim to increase corporate value through profit growth and improved capital efficiency.
- The ESR, which indicates financial soundness, is highly sensitive to interest rates, which is an issue.

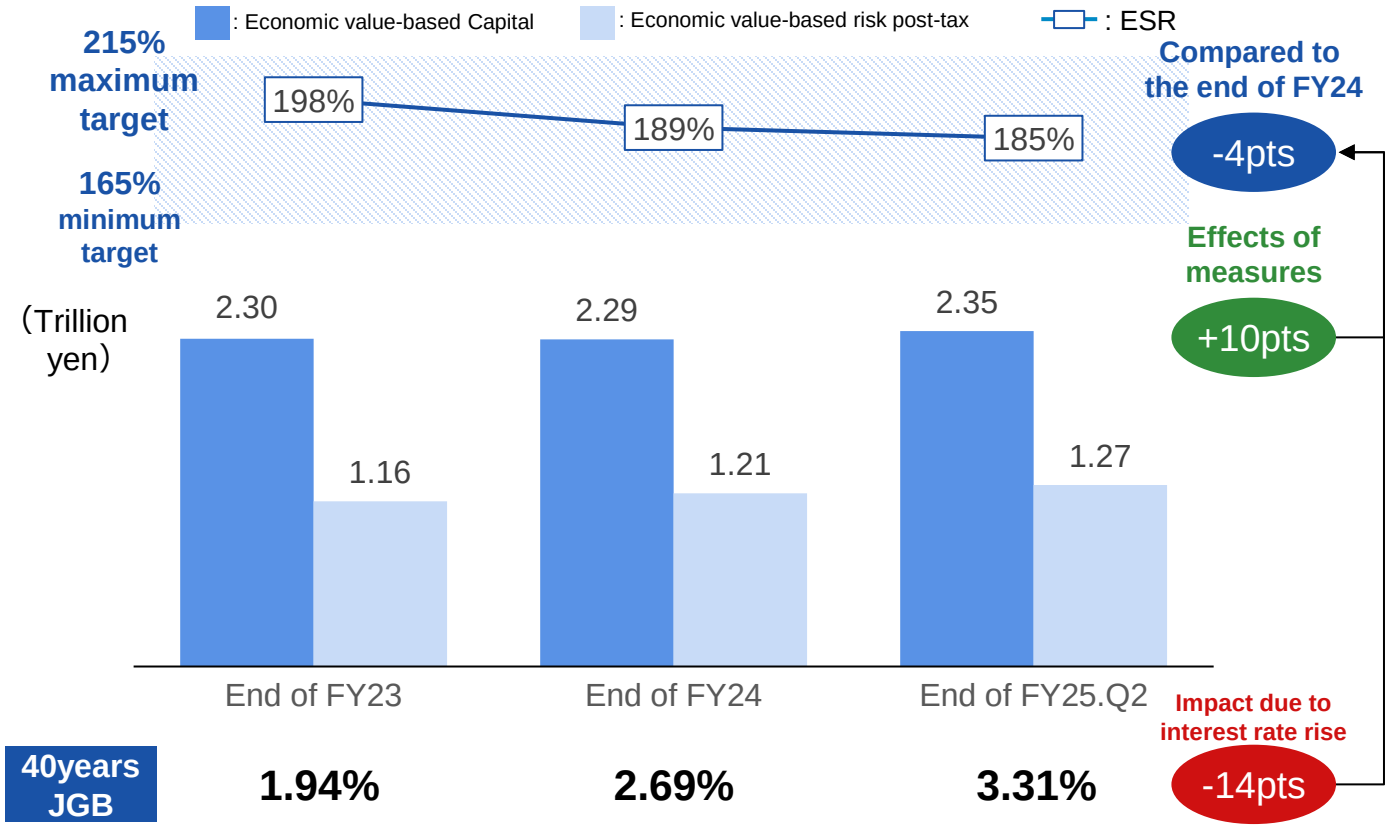


*1: Adjusted ROE is calculated as IFRS adjusted net income divided by average net assets for the period (beginning and ending balance average or beginning and end of four quarters balance average); the same applies to subsequent pages.
*2: Sony Life Non-Consolidated

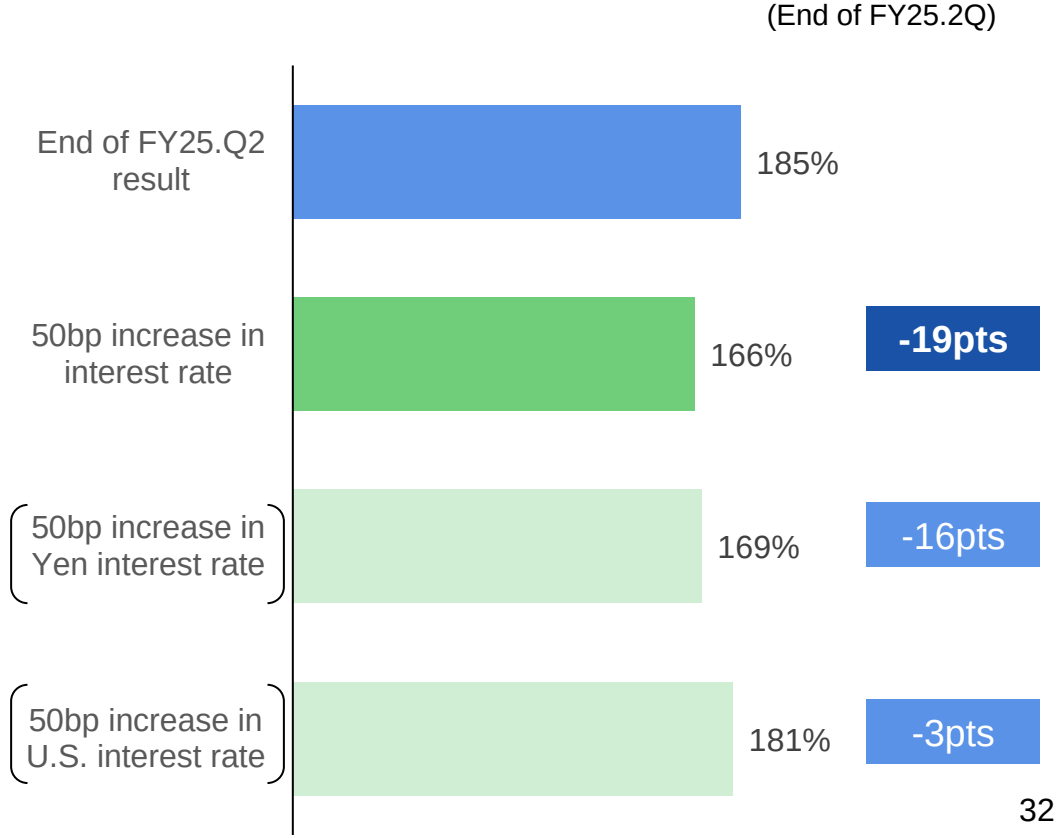
Current Situation and Issues to Be Addressed

- The level of the Group consolidated ESR is being controlled within the target range.
- Although measures are being implemented to raise the ESR level, the negative impact of rising interest rates resulted in the Group consolidated ESR at the end of FY25.Q2 standing at 185% (-4 points from the end of FY24).
- The alarm point for the Group consolidated ESR (125%) would only be reached if the 40years JGB rose to approximately 5.5%, which remains a considerable distance from the current level.

Group consolidated ESR, Capital and risk

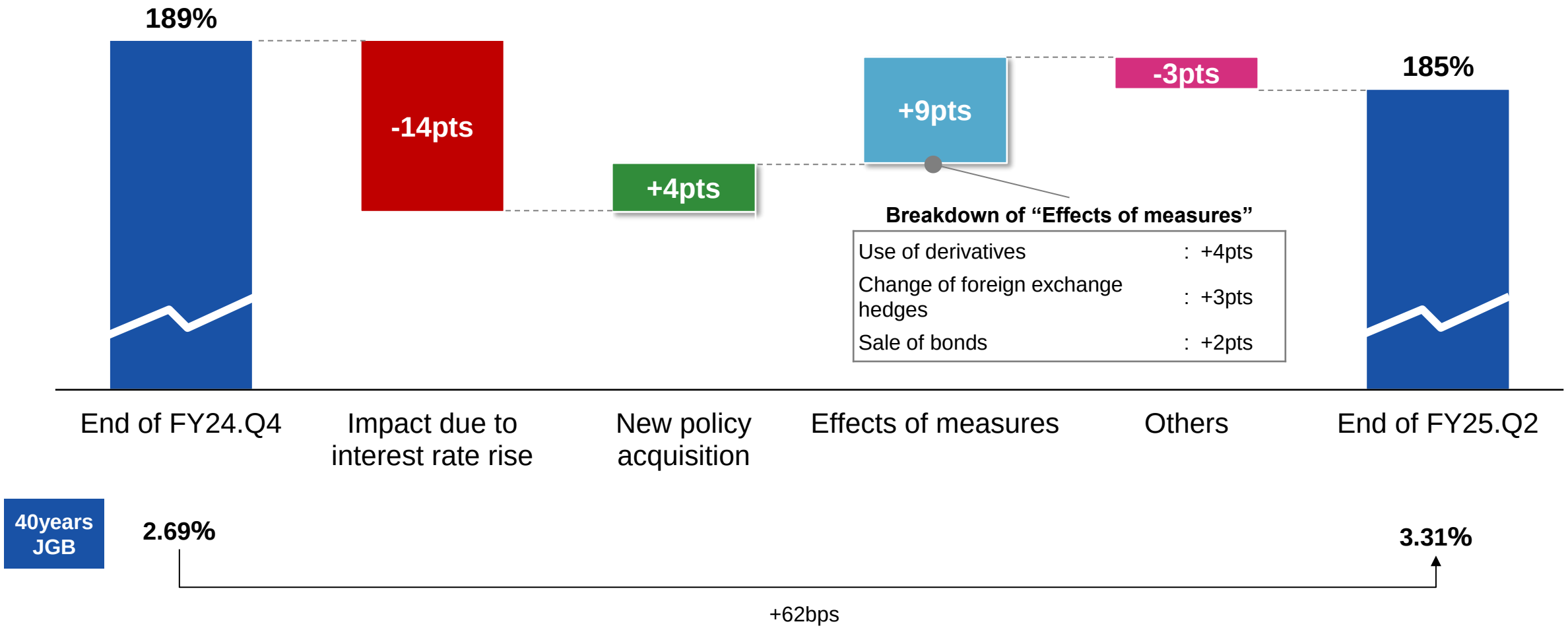


Group consolidated ESR sensitivity to interest rate



Result of Sony FG's Consolidated ESR-related Measures

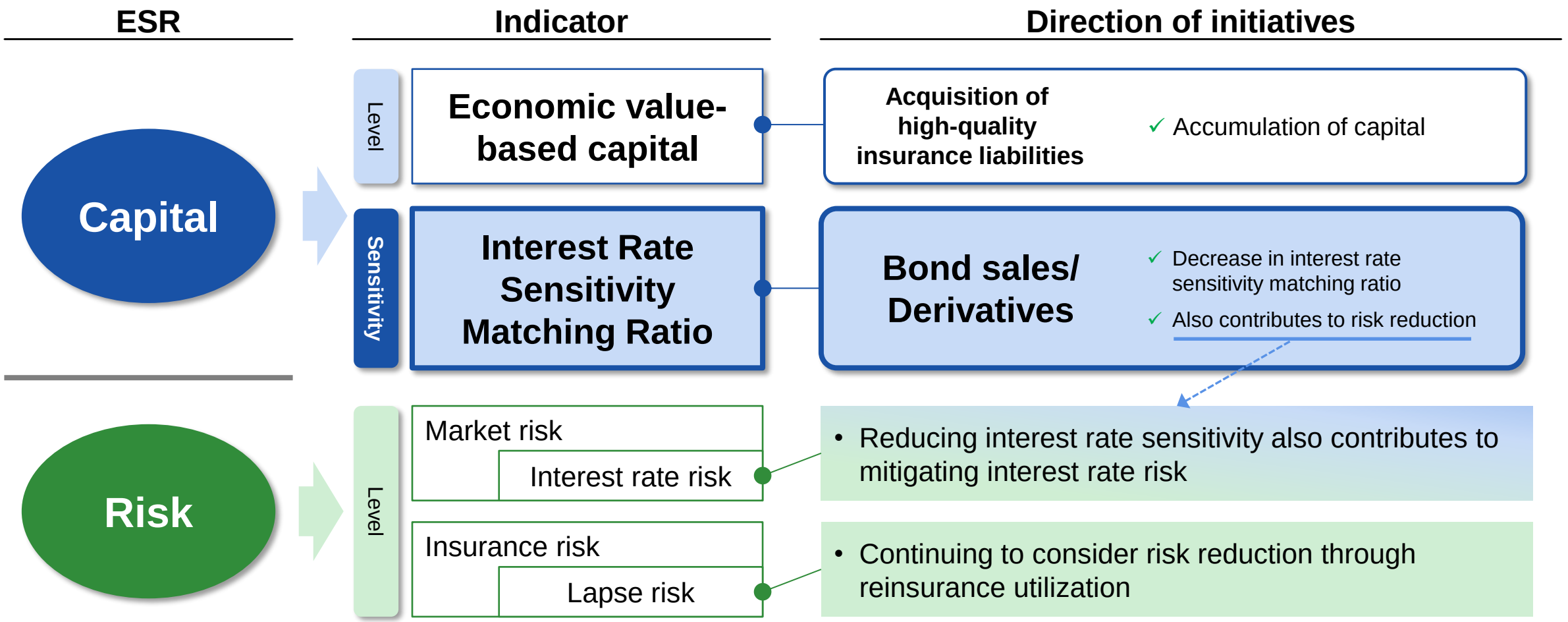
- Through measures implemented and the acquisition of new policy, we have mitigated the decline in ESR caused by rising interest rate.



Note: The breakdown of the fluctuation amount is an approximate value.

Raising ESR Level and Improving ESR Sensitivity

- We aim to maintain ESR at an appropriate level even during significant interest rate fluctuations by raising the ESR level and improving interest rate sensitivity.
- Going forward, we will focus on managing the Interest Rate Sensitivity Matching Ratio*1, an indicator of capital sensitivity, and implement measures accordingly (which will also contribute to reducing interest rate risk).
- While continuing to acquire high-quality insurance liabilities, we will execute bond sales and derivative transactions (and consider the use of reinsurance).
- We will maintain a risk profile centered on insurance risk.



*1: Interest Rate Sensitivity Matching Ratio = (change in assets when interest rates increase by 50bp) / (change in liabilities when interest rates increase by 50bp) ; the same applies to subsequent pages

Strengthening Capital through Subordinated Financing

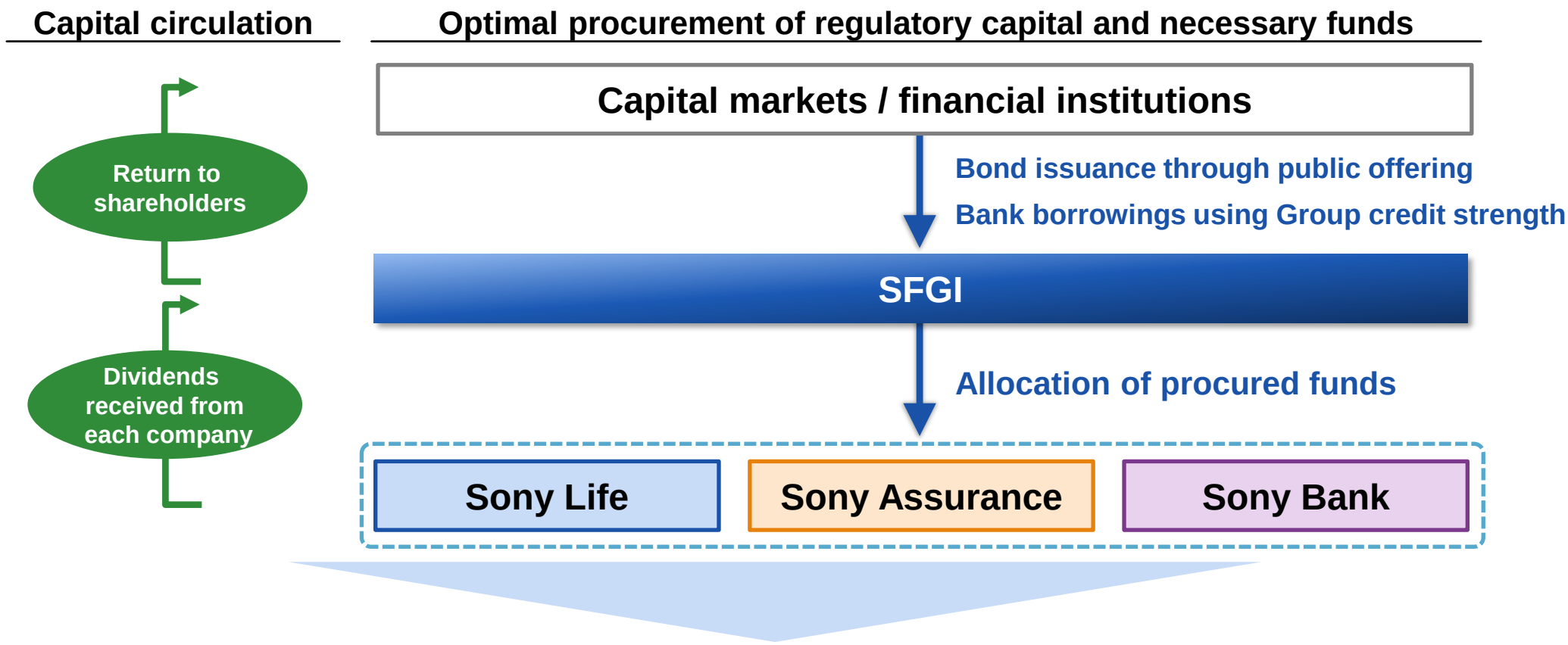
- SFGI plan to issue yen-denominated subordinated bond through a public offering in the domestic market
- The funds raised are scheduled to be allocated in full to subordinated loans to Sony Life

Issuer	Sony Financial Group Inc.
Type of Bonds	Domestic subordinated unsecured bonds denominated in Japanese yen, offered publicly in Japan
Total Amount of Issuance	100.0 billion yen (approx.)
Maturity Date (Plan)	December 19, 2055 (Sunday) (However, with optional early redemption after five years, conditional on prior approval of supervisory authority)
Pricing Date (Plan)	December 12, 2025 (Friday)
Interest Rate	To be determined
Special Provisions	Provisions for interest deferral, early redemption, and subordination
Use of Proceeds	For subordinated loans to Sony Life
Preliminary Credit Rating	A+ (R&I) (issuer credit rating：AA-)

Group consolidated and Sony Life non-consolidated ESR is expected to rise by approx. 8 pts

Capital policy for increasing Group capital efficiency

- Going forward, SFGI aims to establish a framework under which it centrally procures the necessary regulatory capital and funding from external sources and supplies them to group companies.

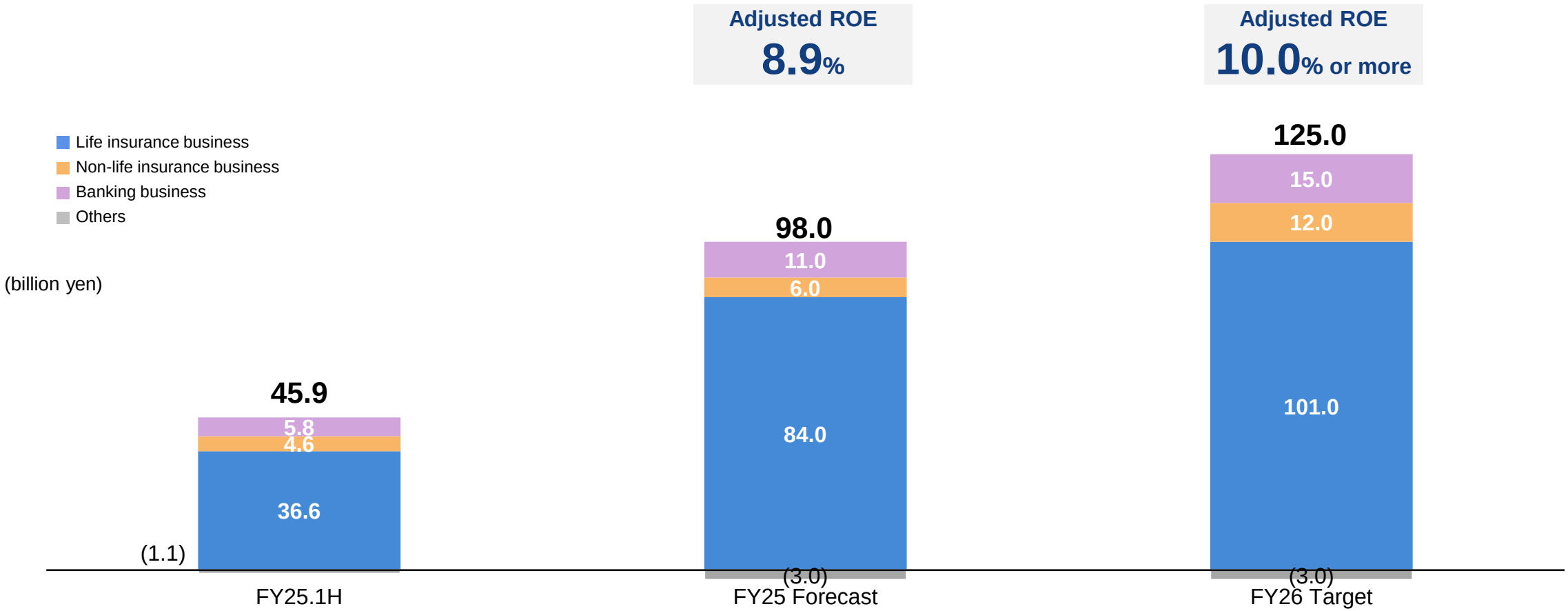


Through capital policies and funding initiatives centered on SFGI, we aim to strengthen financial functions and improve capital efficiency.

Progress of Sony FG Consolidated KPIs

- Consolidated IFRS adjusted net income for FY25.1H progressed almost in line with the plan, driven by robust new policy acquisition at Sony Life.
- We will strive to achieve the FY26 targets of adjusted net income of ¥125 billion and adjusted ROE of 10% or more.

IFRS Adjusted Net Income / Adjusted ROE



1 Approach to the group strategy of the Sony FG

2 Business strategy of Life insurance business (Sony Life)

3 Business strategy of Non-life insurance business (Sony Assurance)

4 Business strategy of Banking business (Sony Bank)

5 Group strategy (Capital policy, etc)

6 **APPENDIX**

APPENDIX | SFGI

FY26 KPI by main businesses

Sony Financial Group

Sony Life

	FY24	FY26
Adjusted net income*1	49.6 (69.1) bn yen	101.0 bn yen
IFRS NBV	279.9 bn yen	280.0＋α bn yen
IFRS Compre-hensive equity*2	2.2 tn yen	2.4 tn yen

Sony Assurance

	FY24	FY26
Adjusted net income	3.9 bn yen	12.0 bn yen
Direct premiums written	173.9 bn yen	215.0 bn yen
Combined ratio*3	95.1% *E.I. Loss ratio 69.7%* *Expense ratio 25.4%*	91.7% *E.I. Loss ratio 67.1%* *Expense ratio 24.6%*

Sony Bank

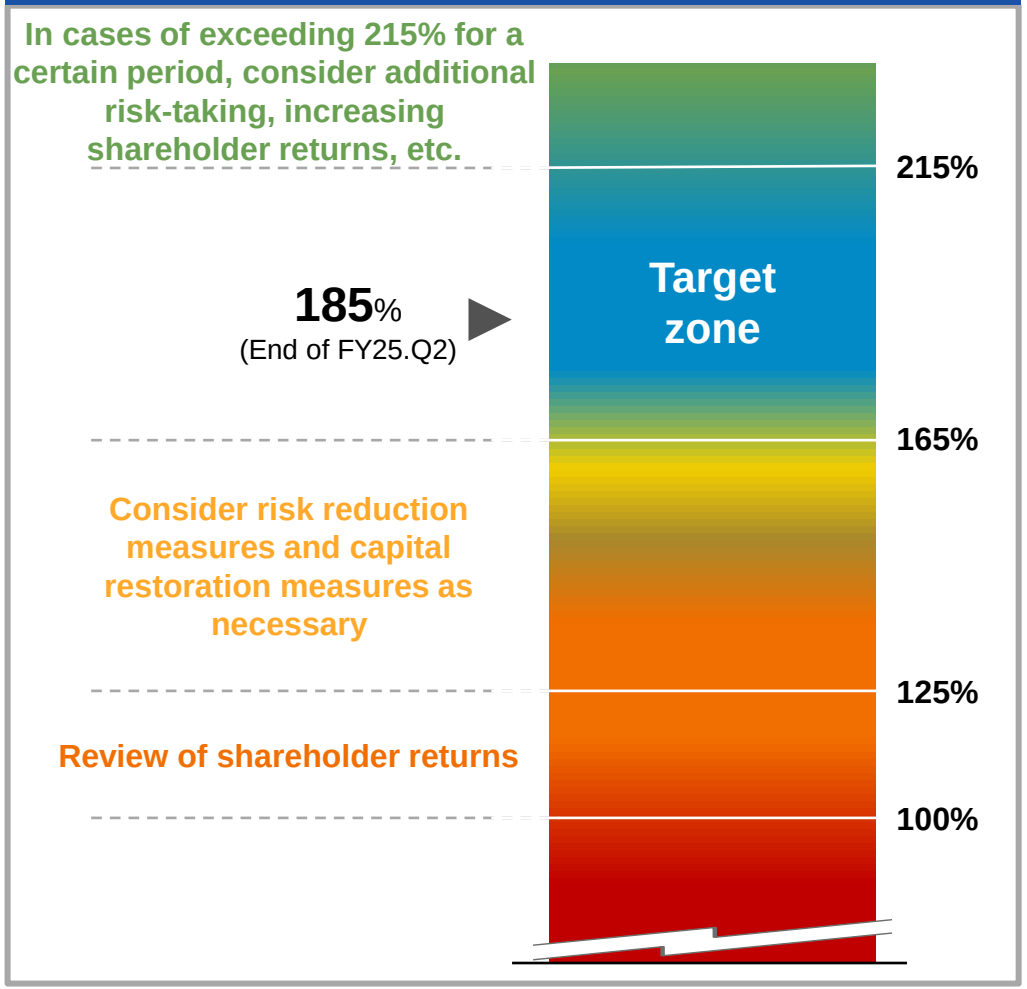
	FY24	FY26
Adjusted net income	12.4 bn yen	15.0 bn yen
Mortgage loan balance	3.7 tn yen	4.0 tn yen
Foreign currency deposits	771.2 bn yen	840.0 bn yen
Number of accounts	2.05 mm	2.36 mm

*1: The figures in parentheses are amounts added back to reflect the impact of tax rate changes (introduction of the defense special corporation) (Sony Life non-consolidated: 19.5 billion yen)
*2: IFRS comprehensive equity is calculated as the total of the IFRS shareholders' equity and post-tax CSM (including reassurance CSM); the same applies to subsequent pages
*3: Sum of E.I. loss ratio (earned-incurred loss ratio) and expense ratio. Earthquake insurance and Compulsory automobile liability insurance are excluded from E.I. loss ratio; the same applies on subsequent pages

Group consolidated ESR target level and shareholder return policy

- The specific plans for dividends and share repurchases after listing are as follows.

Relationship between group consolidated ESR and shareholder returns



Basic shareholder return policy

- Payout ratio of 40% to 50% of IFRS adjusted net income.
- In principle, the annual dividend per share will not be reduced, and stable dividend growth will be pursued.
- Repurchase of shares will be executed in consideration of the balance between the level of capital and investment for growth.

Dividend

- In FY25, the total dividend amount is planned to be **25 billion yen**[*1] (**50 billion yen on an annualized basis**).
- From FY26 onward, dividends are planned to be paid twice a year, at mid-year and year-end.

Repurchase of shares

- Plan to execute **amounting to 100 billion yen** in purchases[*2] between the listing and the end of FY26.
  (Purpose is to mitigate the impact on the supply and demand for SFGI shares after the listing and to improve capital efficiency)

*1: Because the spin-off is scheduled to take effect on October 1, 2025, dividend payments for FY25 will cover only the second half of the fiscal year
*2: Some or all of the planned share repurchases may not be executed depending on investment opportunities and market conditions

Definitions of IFRS Adjusted Net Income (after FY22)

- We introduced “adjusted net income” as an indicator to measure base earnings growth, excluding market fluctuations and one-time factors from net income

Sony FG Consolidated IFRS Adjusted Net Income		SFGI consolidated net income (IFRS Accounting Standards) – Adjustments for each entity
Adjustments for each segment (post-tax)	Life insurance business	Investment income (net)*1 related to variable insurance and foreign currency translation differences (excluding the equivalent of hedge costs*2)
		Unrealized gains/losses related to variable insurance within insurance finance expenses (income)*3 and foreign currency translation differences
		Gains/losses on sales of securities
		Other one-time gains/losses
	Non-life insurance business, Banking business, Others	One-time gains/losses

*1: Investment income (net) related to variable insurance is financial assets measured at fair value through profit or loss (FVPL), associated with variable life insurance and individual variable annuity contracts.
*2: Transaction fees and margin costs required to maintain hedge positions. Includes current accrued interest from bonds designated as measured at fair value through net profits/losses (fair value option (FVO)-designated) based on the interest rate at the beginning of the period.
*3: Effect of changes in the value of underlying items of variable life insurance and individual variable annuity contracts and changes in interest rates and other financial risks.

Reconciliation from Net Income to IFRS Adjusted Net Income

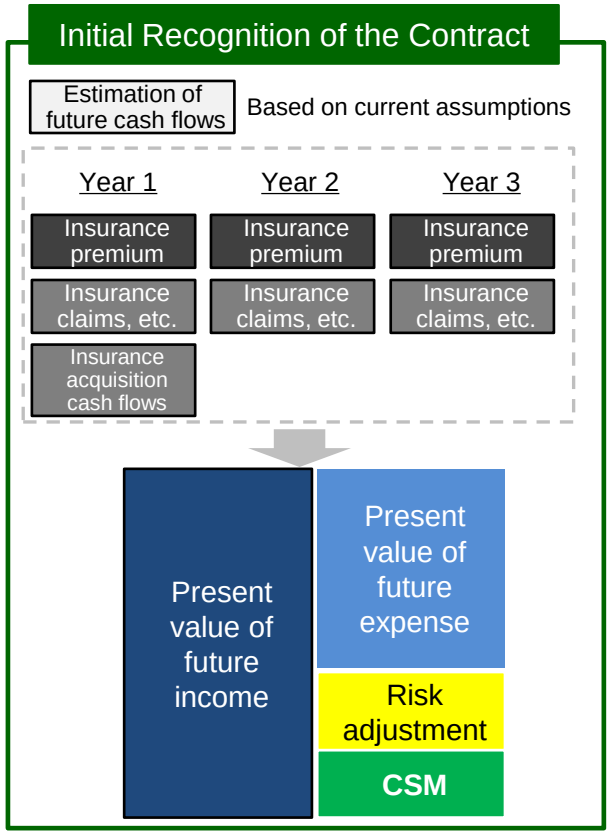
(billion yen)

	FY24.1H	FY25.1H
Pre-tax net income (loss) (IFRS Accounting Standards)	**95.9**	**25.4**
Post-tax net income (loss) (IFRS Accounting Standards)	**68.4**	**17.2**
Life insurance business related adjustments	**-20.1**	**28.6**
Investment income (net) related to variable insurance[*1] and foreign currency translation differences (excluding the equivalent of hedge costs[*2])	81.5	-286.0
Unrealized gains/losses related to variable insurance within insurance financial gains/losses[*3] and foreign currency translation differences	-108.7	224.4
Gains/losses on sales of securities	-0.9	102.1
Other one-time gains/losses	-	-
Tax effects related to the above	7.9	-11.8
Non-life insurance business related adjustments	-	-
Banking business related adjustments	-	-
Other adjustments	-	-
Total adjustments	**-20.1**	**28.6**
Adjusted post-tax net income (loss)	**48.2**	**45.9**

*1: Investment income (net) related to variable insurance is financial assets measured at fair value through net profits/losses, associated with variable life insurance and individual variable annuity contracts.
*2: Transaction fees and margin costs required to maintain hedge positions. Includes current accrued interest from bonds designated as measured at fair value through net profits/losses (FVO designated) based on the interest rate at the beginning of the period.
*3: Effect of changes in the value of underlying items of variable life insurance and individual variable annuity contracts and changes in interest rates and other financial risks.
*4: The audits and review on the financial information based on IFRS Accounting Standard by the audit firm on a voluntary basis commenced since Q2 FY2025, and figures for FY2024 have been restated after revision.

Components of Insurance Liability and Subsequent Measurement

- Under IFRS accounting standards, the insurance liability recognized for a group of insurance contracts is measured as the sum of the fulfillment cash flows (present value of future cash flows and risk adjustment) and CSM.
- Fulfillment cash flows are remeasured based on the current information reflecting changes in assumptions since initial recognition.
- Changes in estimates of the fulfillment cash flows are recognized in either CSM or profit or loss.



Fulfillment cash flows	Components	Subsequent measurement: Release from risk / Service provided	Subsequent measurement: Incurrence of insurance payouts and expenses	Subsequent measurement: Changes in estimates
Present value of future cash flows	• Insurance premium • Insurance claims • Benefit claims • Dividend • Annuity • Cash surrender value (Other deposits) • Maturity benefit • Business expenses (Direct maintenance expenses)		**Difference between expected and actual amounts recognized in profit or loss when incurred**	**Changes in estimates related to future service recognized in either CSM or profit or loss**
Risk adjustment	Risk adjustment for non-financial risk • Insurance risk Mortality rate, longevity, morbidty and disability Lapse*1 (Mass lapse, increase/ decrease of surrender) Expenses • Catastrophe risk	**Revenue recognized as risk is released** **Release of risk adjustment**		
CSM	Profit in the future (Unearned profit)	**Revenue recognized over the coverage period** **Amortization of CSM**		

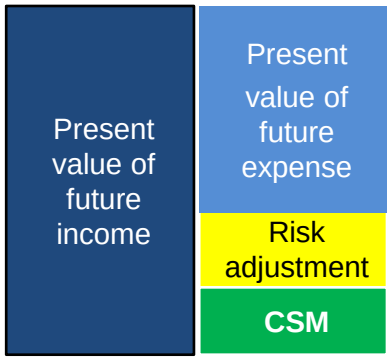
[Insurance liability]

*1: Reflects the most recent five years of experience for each contract group plus dynamic lapses (based on past experience or industry practice).

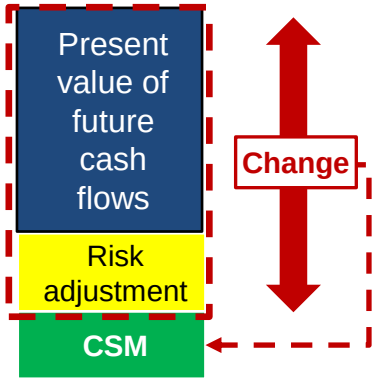
Contract groupings

- Insurance contracts are grouped by contracts issued within the same quarter that have similar risks at initial recognition and are managed together
- Contract groups are classified as either groups deemed profitable contracts (expected to generate CSM) and groups deemed onerous contracts (not expected to generate CSM).

[Profitable contracts]

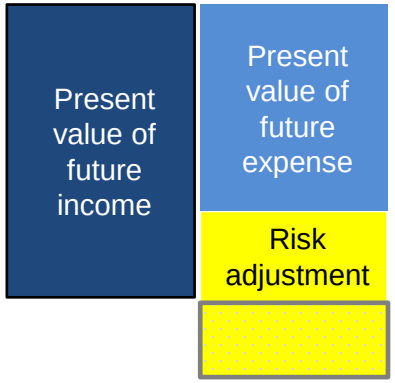


Changes in estimates of fulfillment cash flows related to future service are adjusted through the CSM



[Insurance liability]

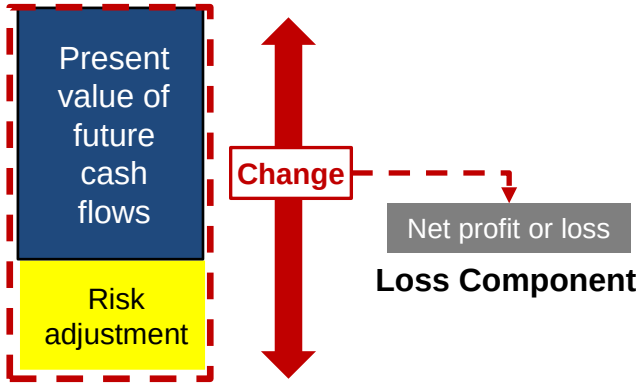
[Onerous contracts]



Net profit or loss

Loss Component
Is recognized immediately in net profit or loss, If CSM becomes negative

Changes in estimates of fulfillment cash flows related to future service are recognized in profit or loss as a loss component



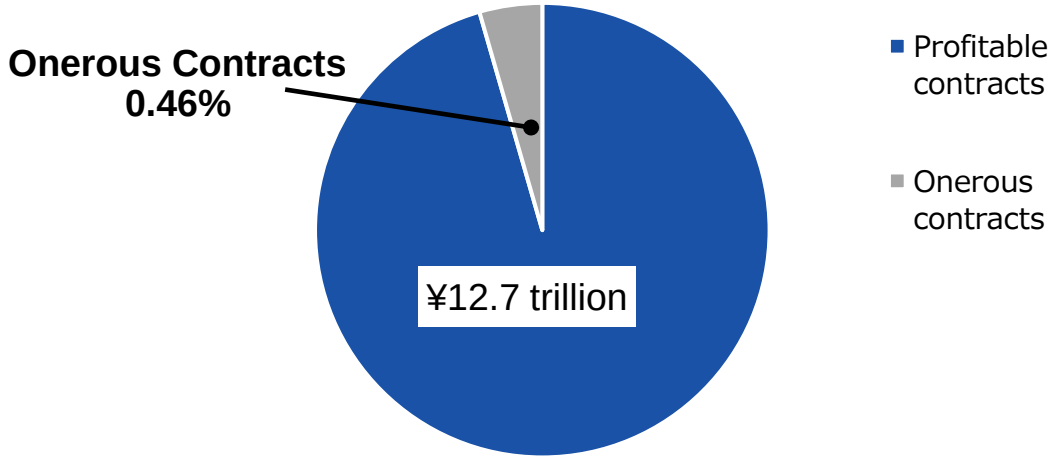
Net profit or loss

Loss Component

[Insurance liability]

Sony Life Insurance contract liability (End of September 2025)

Proportion of onerous contracts is 0.46% of total insurance contracts
(Mainly products issued under low interest rate environment)



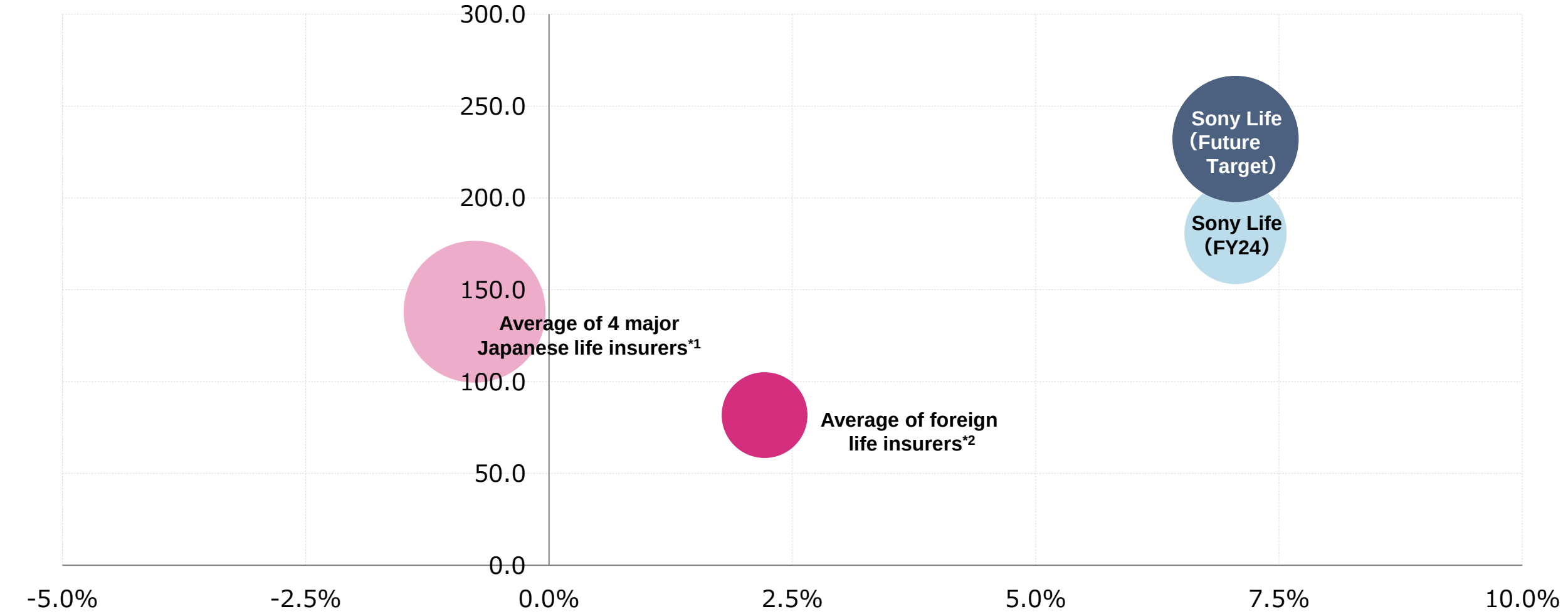
APPENDIX | Life insurance business

Life Insurance Business: Industry Position

Vertical axis: FY24 Annualized premiums from new policies（billion yen）

Horizontal axis：FY19→FY24 CAGR for annualized premiums from policies in force (%)

Size of bubble: FY24 Annualized premiums from policies in force

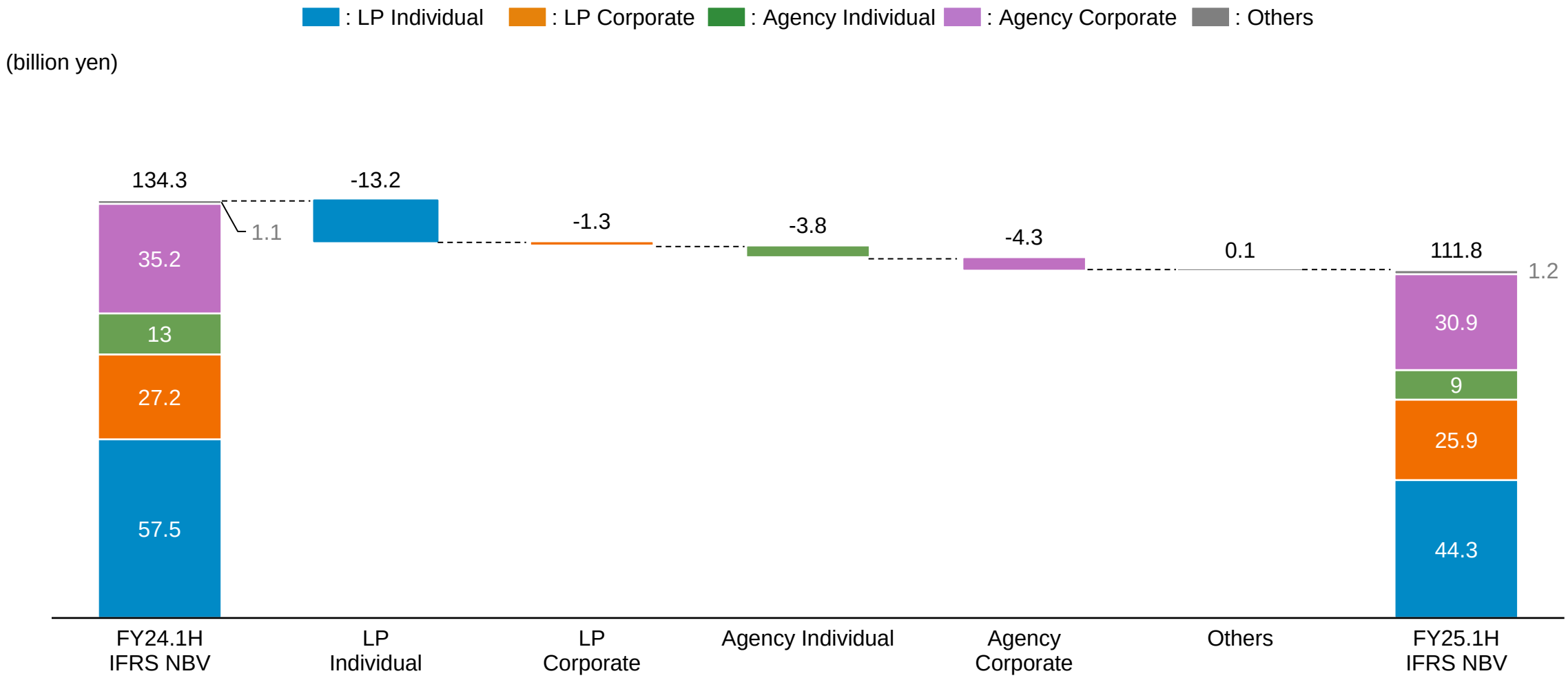


*1: The four major life insurance companies in Japan are Sumitomo Life Insurance Company, Dai-ichi Life Insurance Company, Ltd, Nippon Life Insurance Company, and Meiji Yasuda Life Insurance Company

*2: Foreign life insurers are foreign-affiliated life insurance companies in Japan with new annualized premiums exceeding ¥50 billion in FY24 (AXA Life Insurance Co., Ltd., Aflac Life Insurance Co., Ltd., Gibraltar Life Insurance Co., Ltd., Prudential Gibraltar Financial Life Insurance Co., Ltd., Prudential Life Insurance Co., Ltd., MetLife Japan Ltd.)

Life Insurance Business: IFRS NBV (Sony Life Non-Consolidated)

Sony Life non-consolidated | IFRS NBV breakdown



Life Insurance Business: Specific Initiatives in Corporate Business Strategy

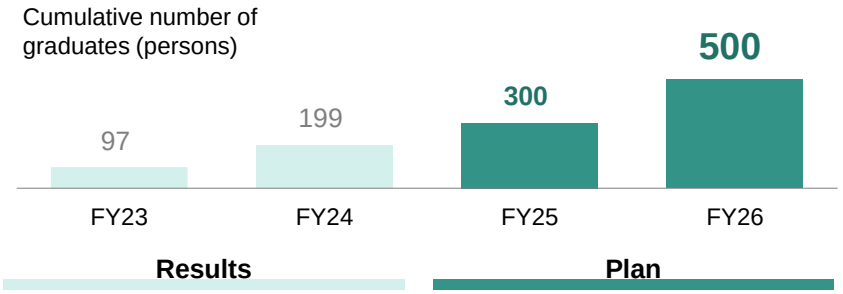
- Strengthening initiatives in both channels to expand the corporate market
- From December 2, term casualty insurance will be relaunched, providing value to business owners in their 60s or above who were previously uncovered

Lifeplanner Channel

Advanced consulting training

Corporate Academy

Expand the number of participants by strengthening the support system at headquarters

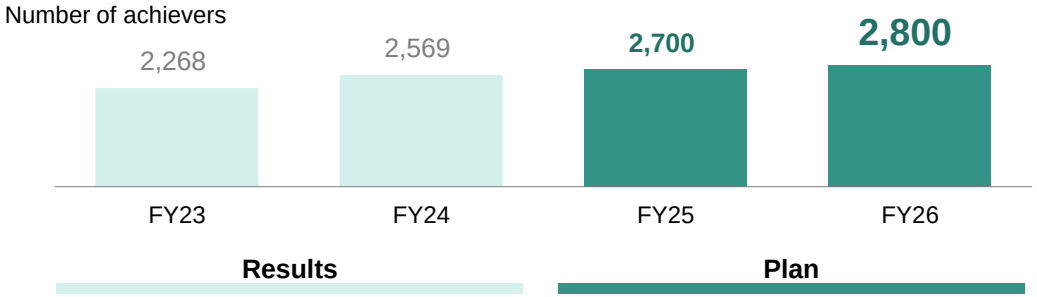


Agency Channel

Promotion to wide-area door-to-door agencies

Strengthening approach to top-performing agents

Approach efficiently based on the database regarding agents



Shared by Both Channels (December 2025 New Products) | Relaunch of Level Term Insurance with Casualty Coverage Period (Non-Participating)

Background

✓ **Mainly elderly business owners unable to join due to health reasons** have made requests such as: **"Please offer a product with simplified disclosure form to secure sufficient coverage"**

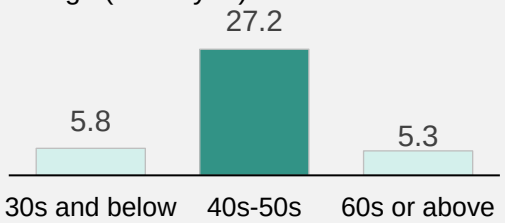
Features

✓ During the first insurance coverage period, focus of protection is on death due to unforeseen accidents or prescribed infectious diseases

✓ **Regardless of age, maximum coverage of 500 million yen with only three notification items**

For reference | Performance of core product (variable term insurance)

FY24 AP from new policies for variable term by insured age (billion yen)



70% of variable term AP from new polices **is from the 40s–50s**

Senior business owners are expected to increase
Strengthening coverage for business owners age 60 or above who were previously uncovered by term casualty insurance

Life Insurance Business: Advanced tools supporting Sony Life's consulting services

- Visualize invisible anxieties and challenges, calculating the necessary coverage amount and required asset amount tailored to each individual customer

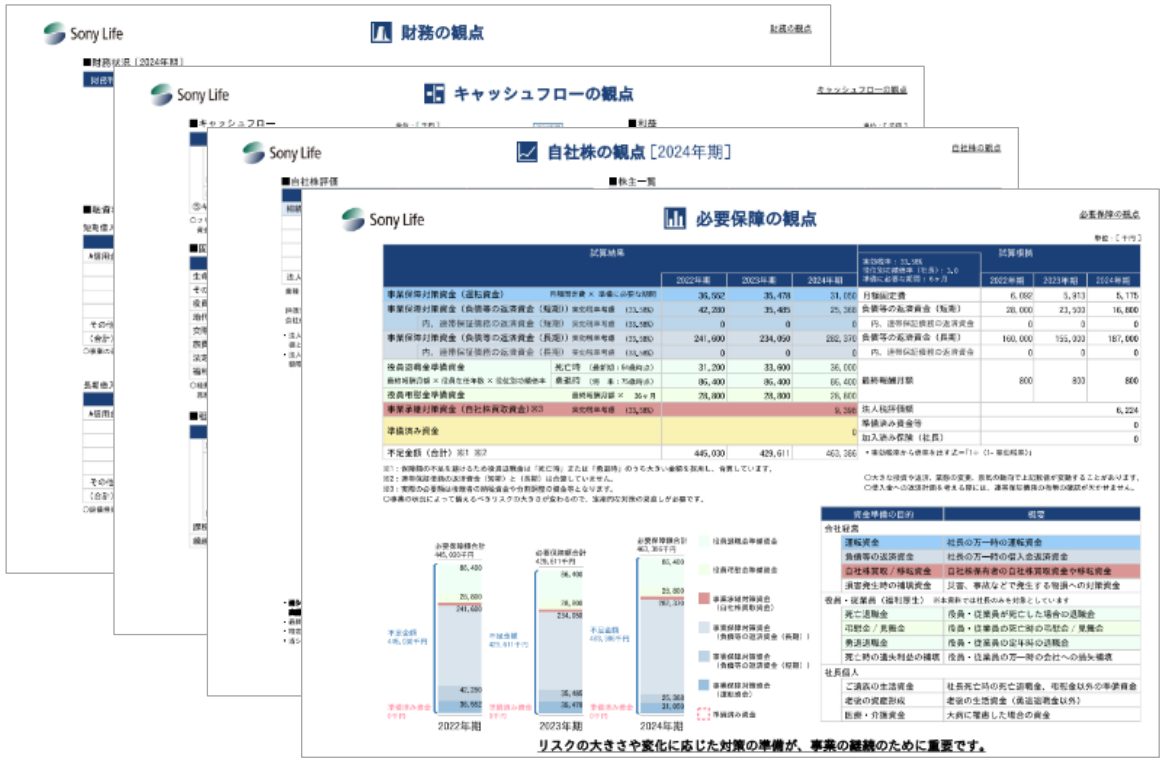
GLiP（Goal based Life Planning Support Service）

“Preparing for Emergencies,” “Preparing for Three Major Critical Illnesses*,” “Preparing for Incapability to Work (Disability),” and “Preparing for Asset Depletion” in the second life stage — provide clear analysis from these four perspectives. We graphically represent intangible insurance products such as life insurance and individual annuities in visible form, making our proposals easy to understand.



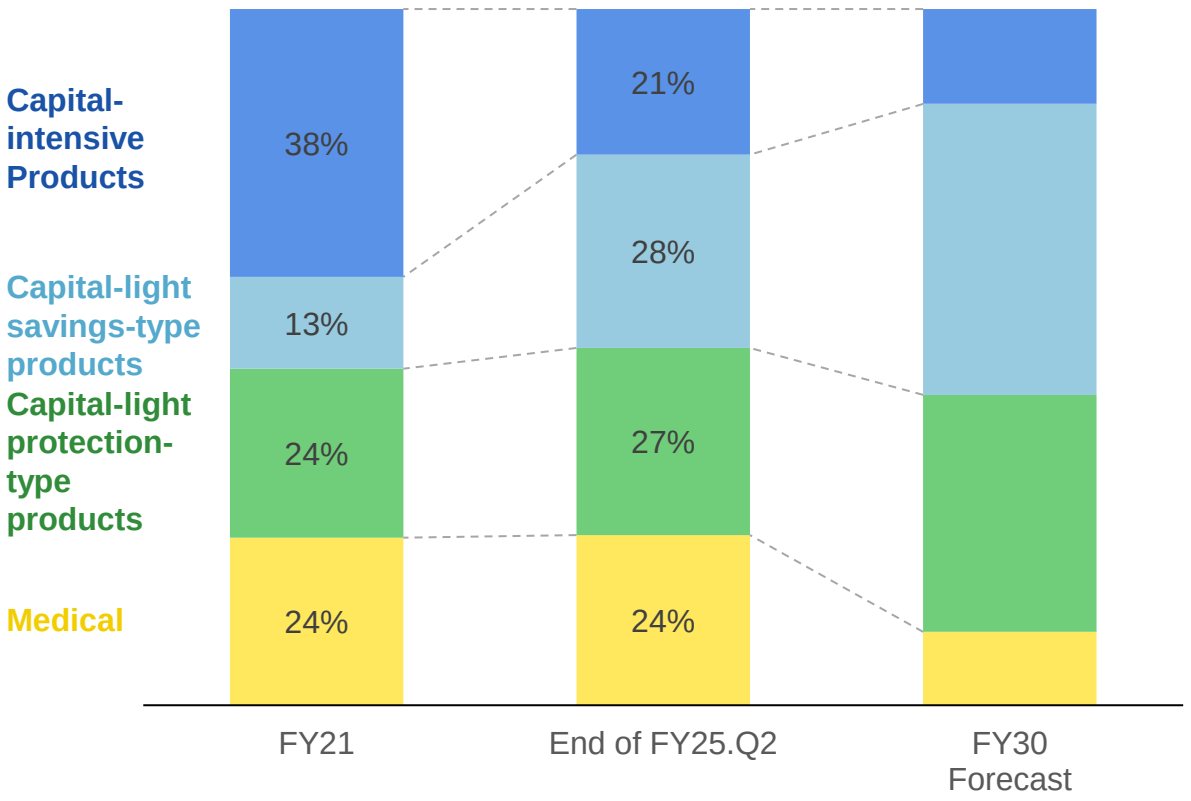
Biz-Plan WEB

Conduct a current status analysis of the financial statements from four perspectives: “Financials,” “Cash Flow,” “Own Company Stock,” and “Required Coverage.” Then calculate a reasonable required coverage amount tailored to the company's current situation. Furthermore, propose support and solutions for business continuity, including identifying ways to enhance funding capabilities and pinpointing areas for improvement in cash flow management.



Life Insurance Business: Product mix

Product mix trasition (CSM balance basis)



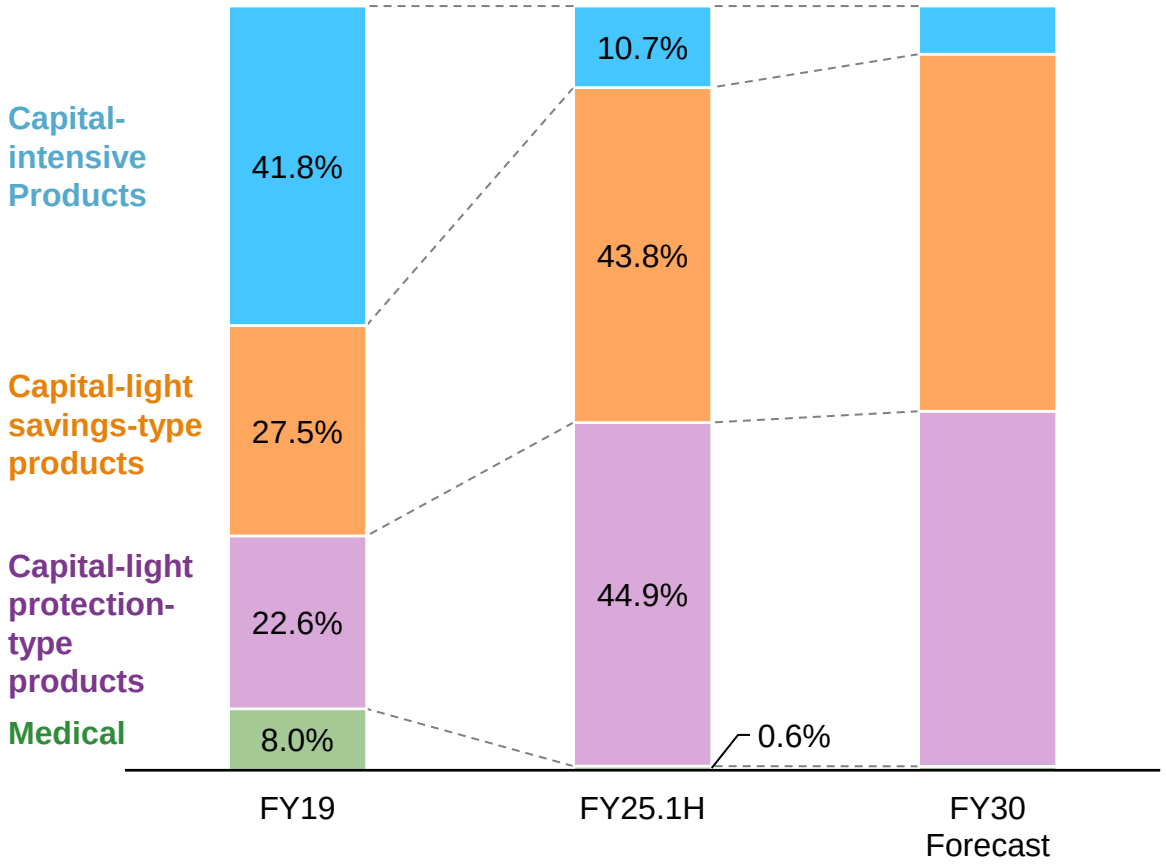
CSM balance (pre-tax)*1

	CSM balance (pre-tax, End of FY25.Q2) (billion yen)	[Reference] CSM Release Rate (FY24)
Capital-intensive products	438.6	6.9%
Capital-light - savings-type products	582.6	4.1%
Capital-light - protection-type products	563.8	9.0%
Total	2,097.7	6.8%

*1: Reinsurance CSM is not included

Life Insurance Business: Product mix

Product mix trasition (New business CSM (pre-tax) basis)



Product Sales Strategy

Capital-intensive Products

- We plan to reduce sales of capital-intensive products (high interest rate risk) centered on whole life insurance

Capital-light Products

- Unbundling of **"savings-type"** and **"protection-type"** products offered through the sale of whole life insurance and other products

Savings-type

- Individual: Strong sales of **variable annuities (SOVANI)** with no minimum guarantee. Aiming for realization of fee-based business

Protection-type

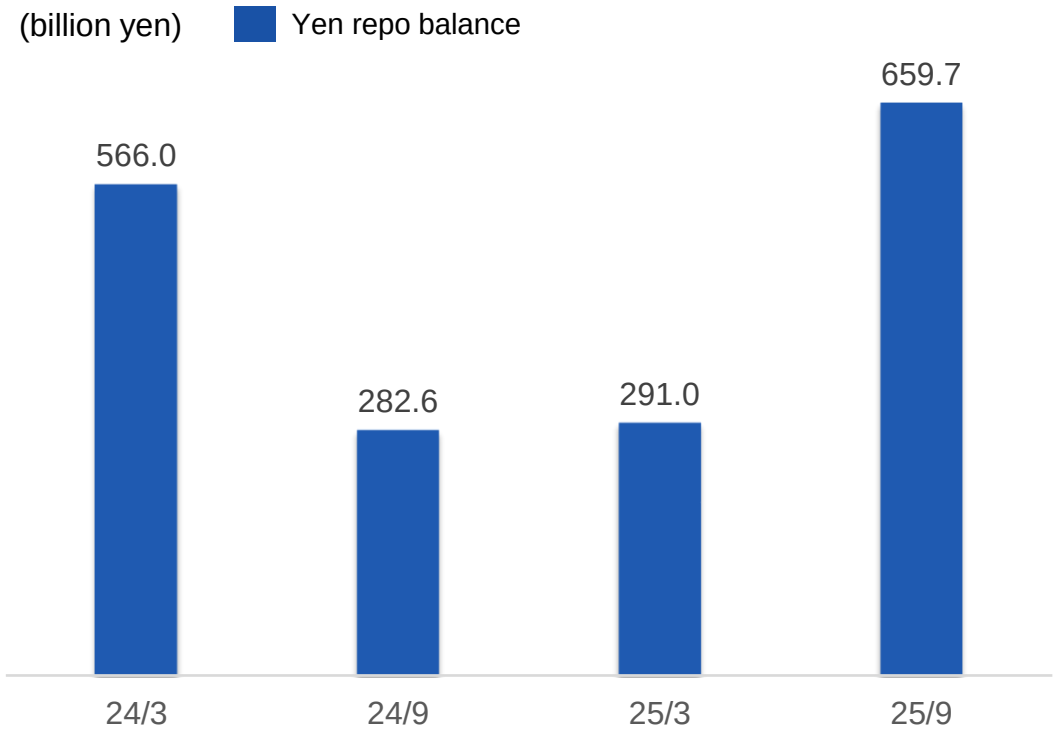
- Individual: Strengthening sales of **term life insurance** and **income protection insurance**
- Corporate: Strengthen guarantee sales centered on **variable insurance (term type)** by leveraging attractive products and consulting capabilities

Medical

- Switch to selling other companies' products (Medicare Life Insurance) in the medical insurance market, where frequent updates to coverage are necessary
- Medical insurance product sales contributes revenue through commissions

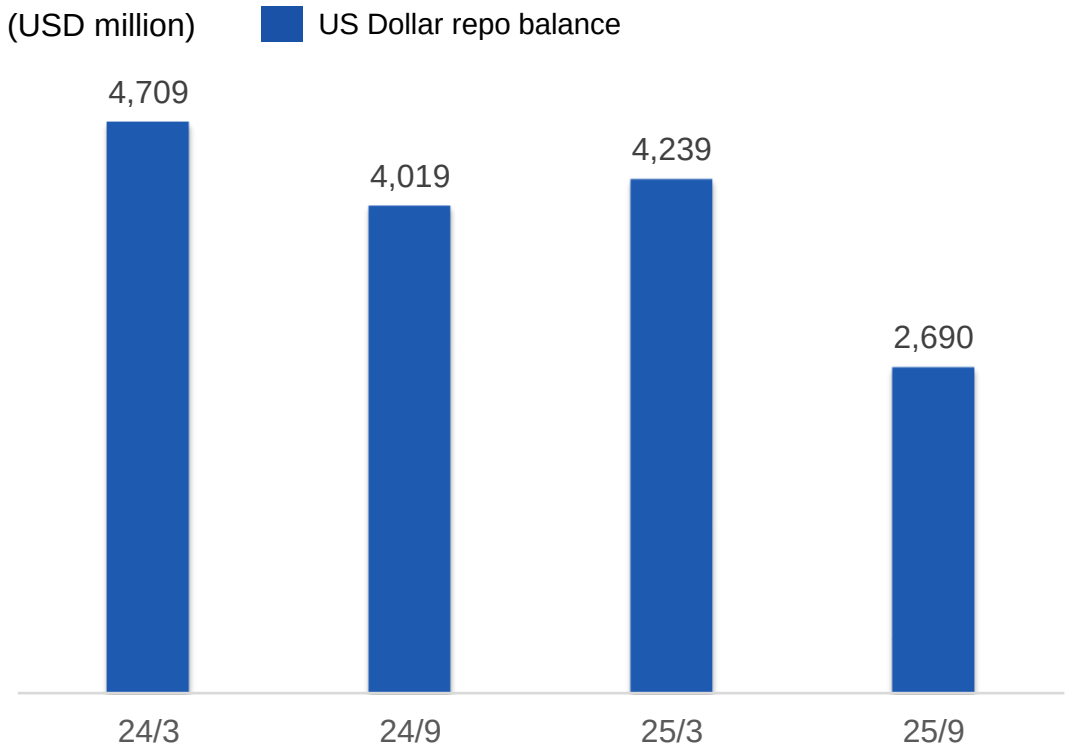
Life Insurance Business: Repurchase (Repo) transactions

Yen repos



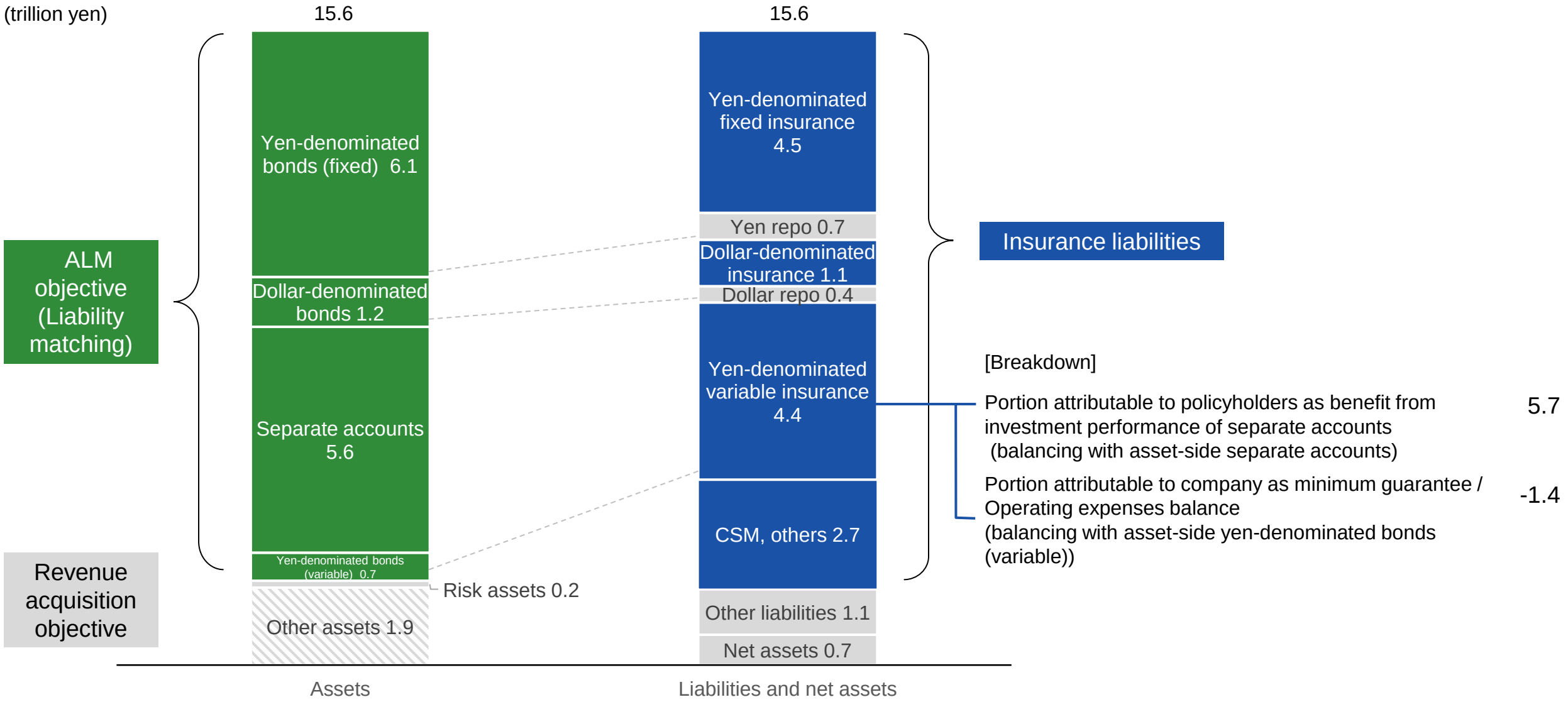
(billion yen)	FY23	FY24	FY25.1H
Repurchase cost	+0.5 (profit)	-0.7	-0.9

US Dollar repos



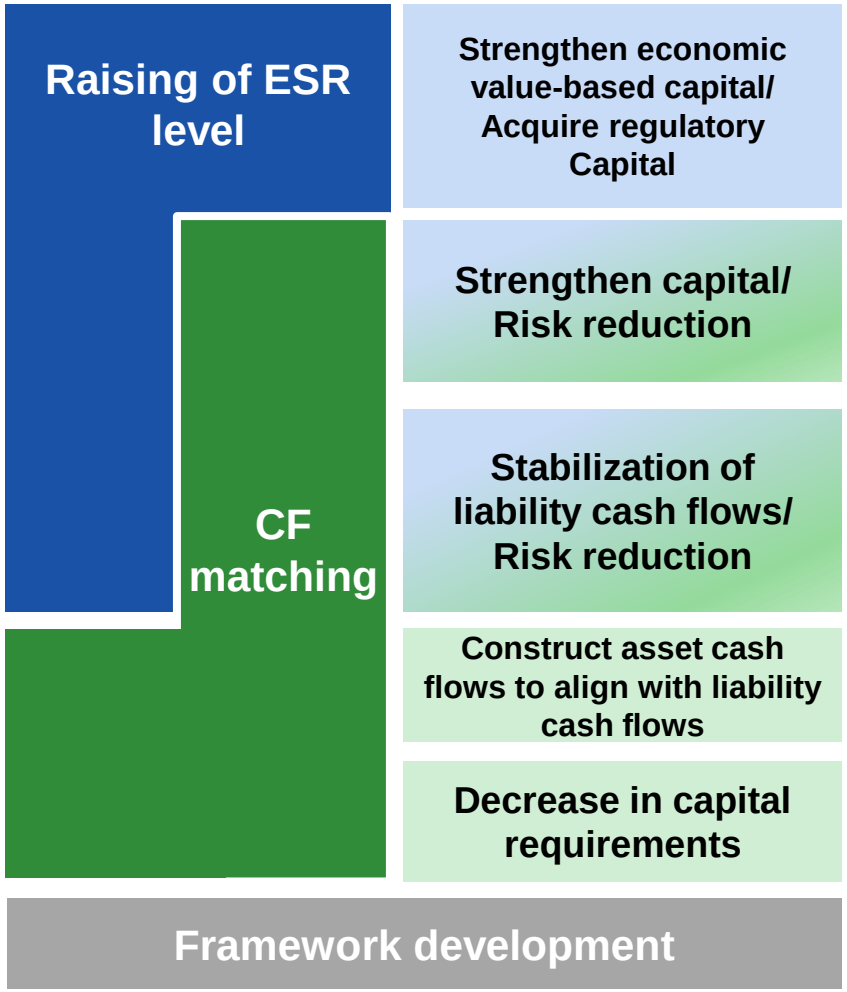
(billion yen)	FY23	FY24	FY25.1H
Repurchase cost	-41.4	-32.8	-11.5

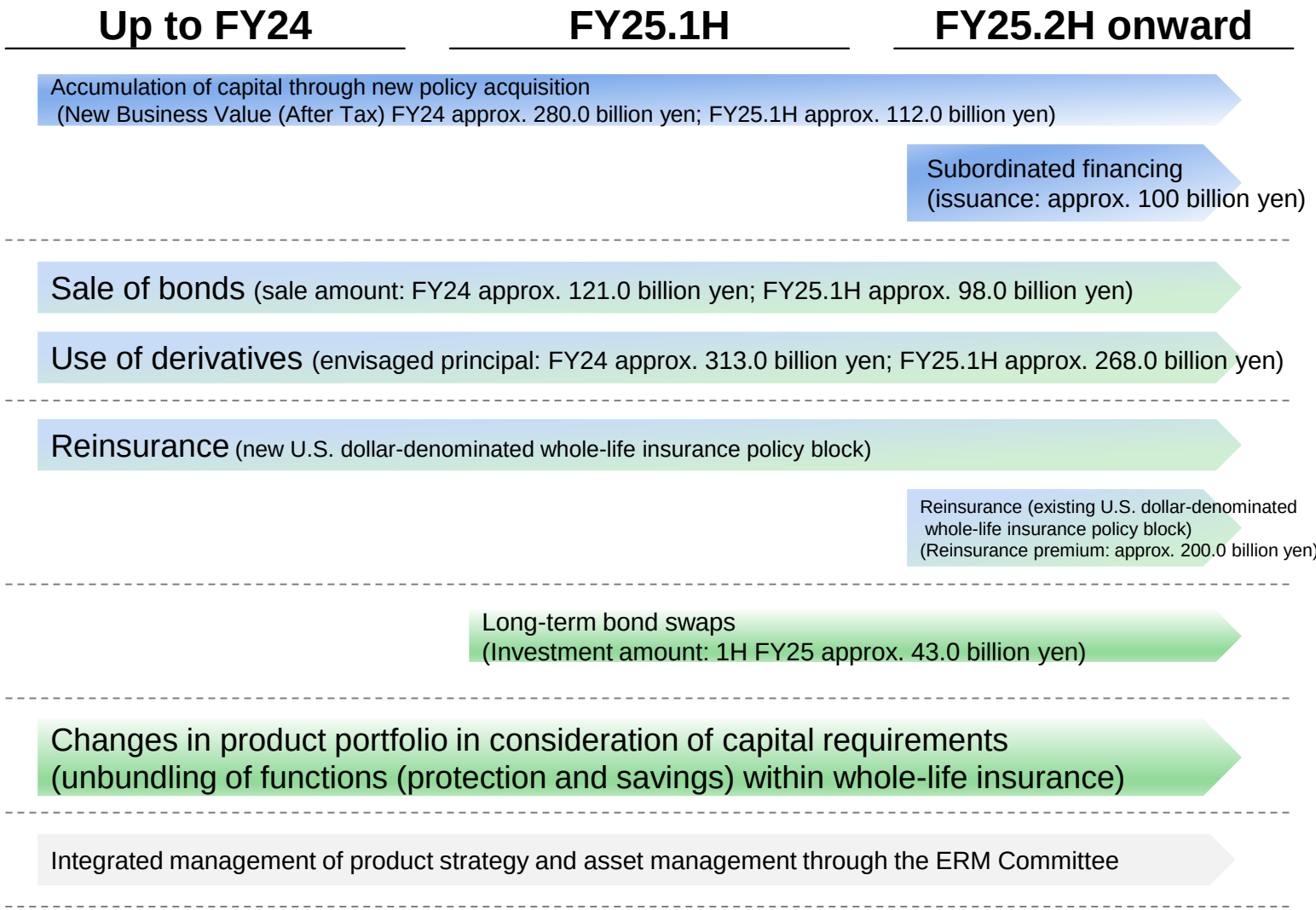
Balance Sheet Image of Sony Life（IFRS, as of the end of FY25.Q2）



Appendix | Financial Initiatives

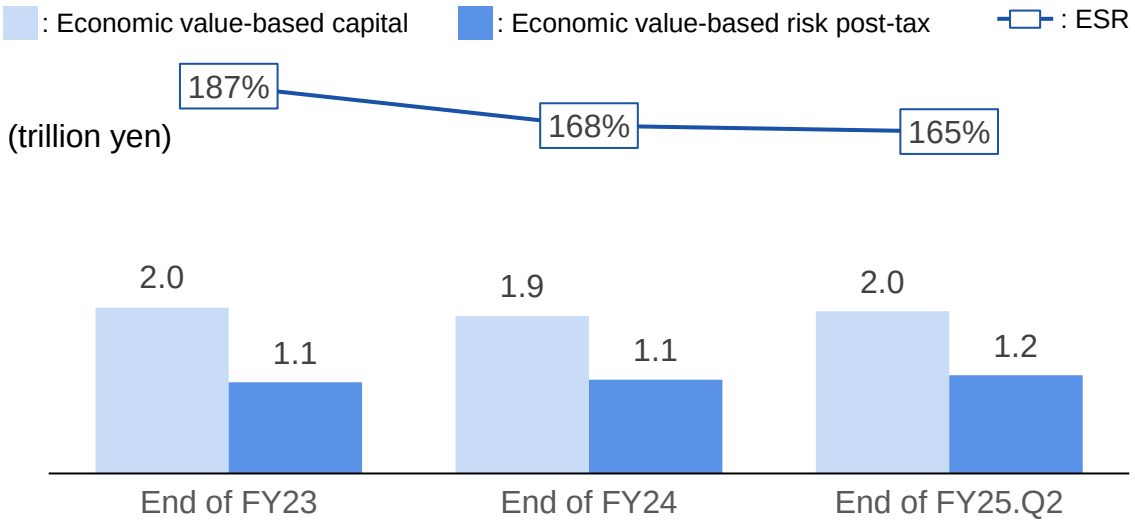
Measures to Strengthen the Financial Foundation





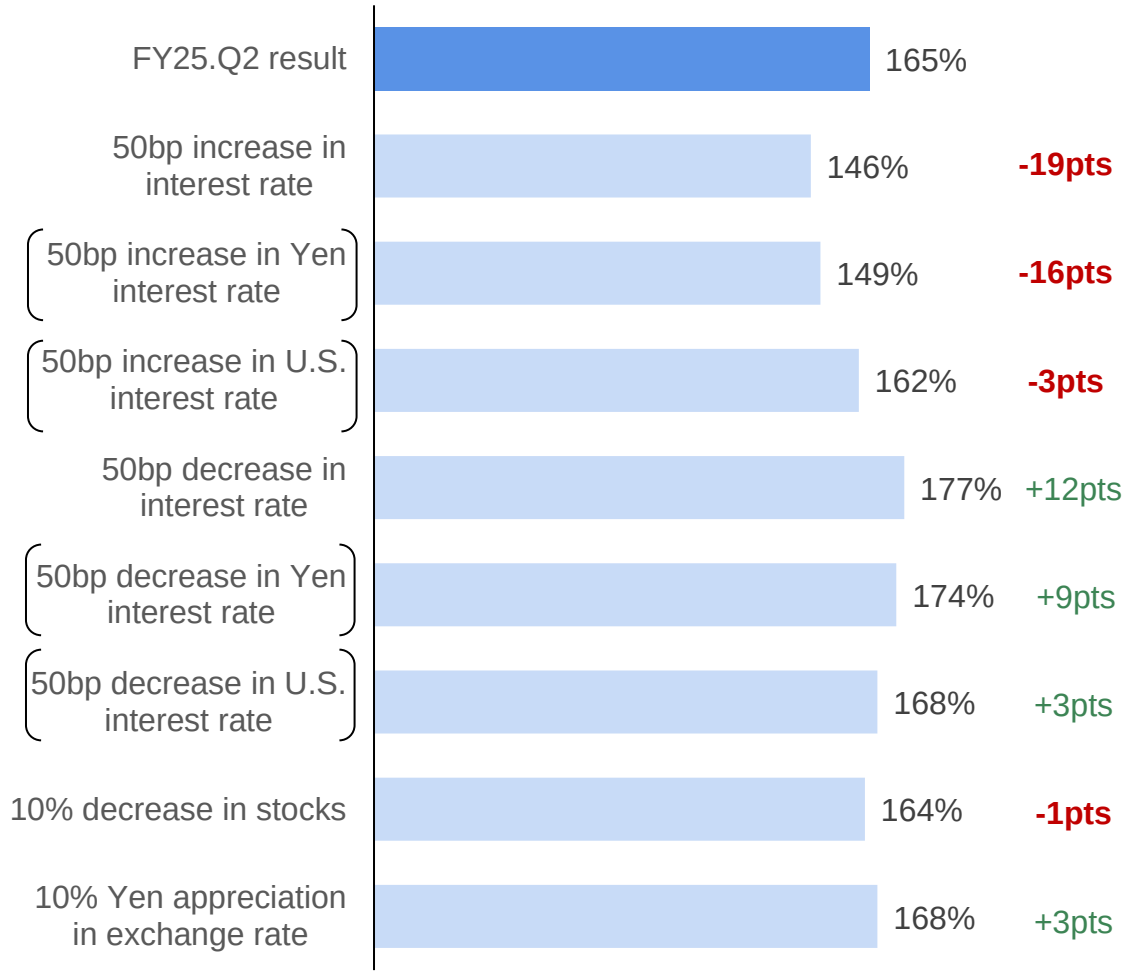
Sony Life: Transition of non-consolidated ESR and ESR sensitivity (Non-Consolidated)

Sony Life Non-Consolidated ESR, Capital and Risk



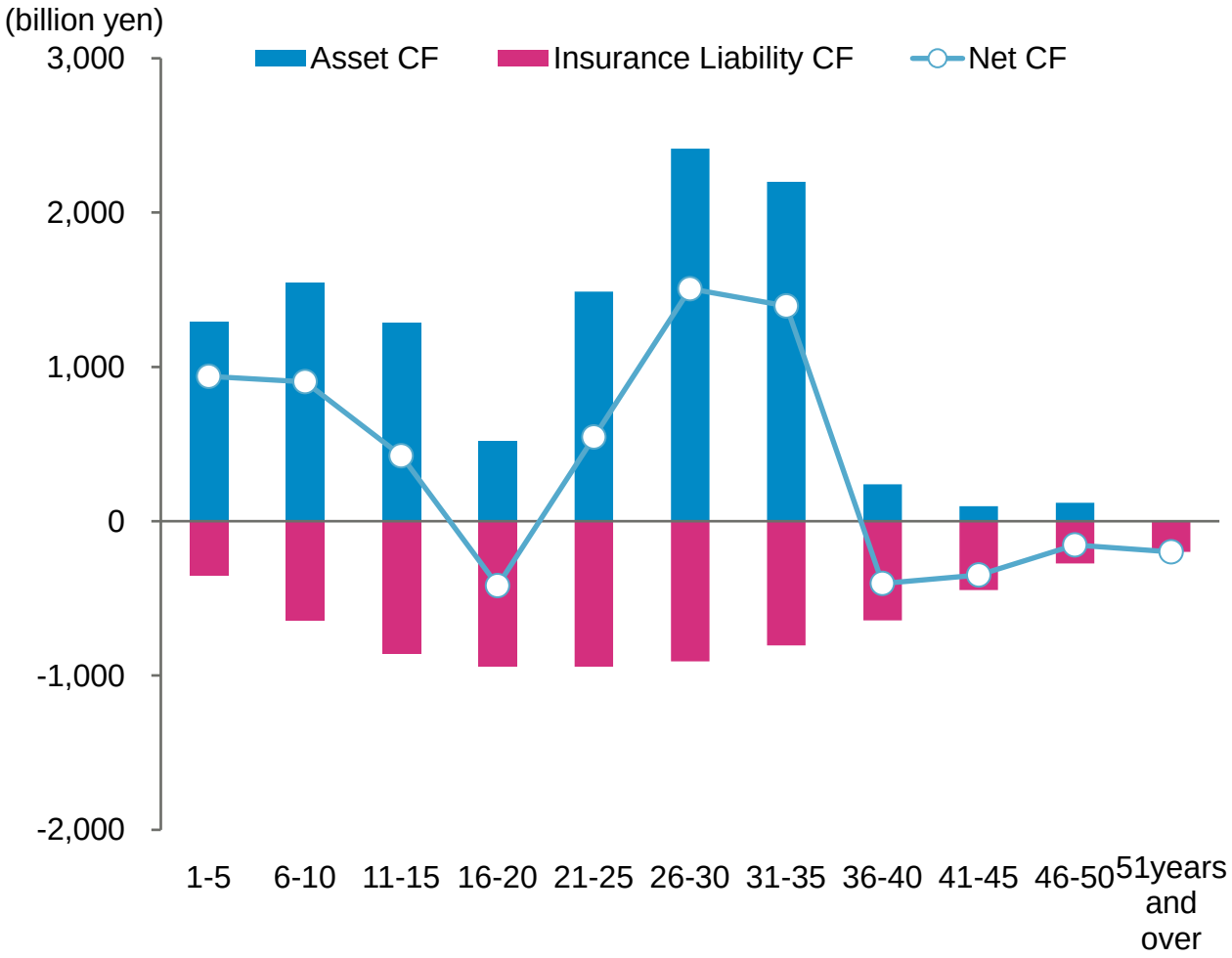
(billion yen)	End of FY24	End of FY25.Q2	Difference
Sony FG consolidated Economic value-based risk post-tax	1,213.5	1,271.7	+58.2
Sony Life non-consolidated Economic value-based risk post-tax	1,132.1	1,187.5	+55.4
Insurance risk	776.0	815.2	+39.2
Market risk	540.4	565.1	+24.7
Interest rate risk	345.5	416.2	+70.7
Others/Diversification effects	-184.3	-192.8	-8.5

Sony Life Non-Consolidated ESR Sensitivity (as of end of FY25.Q2)

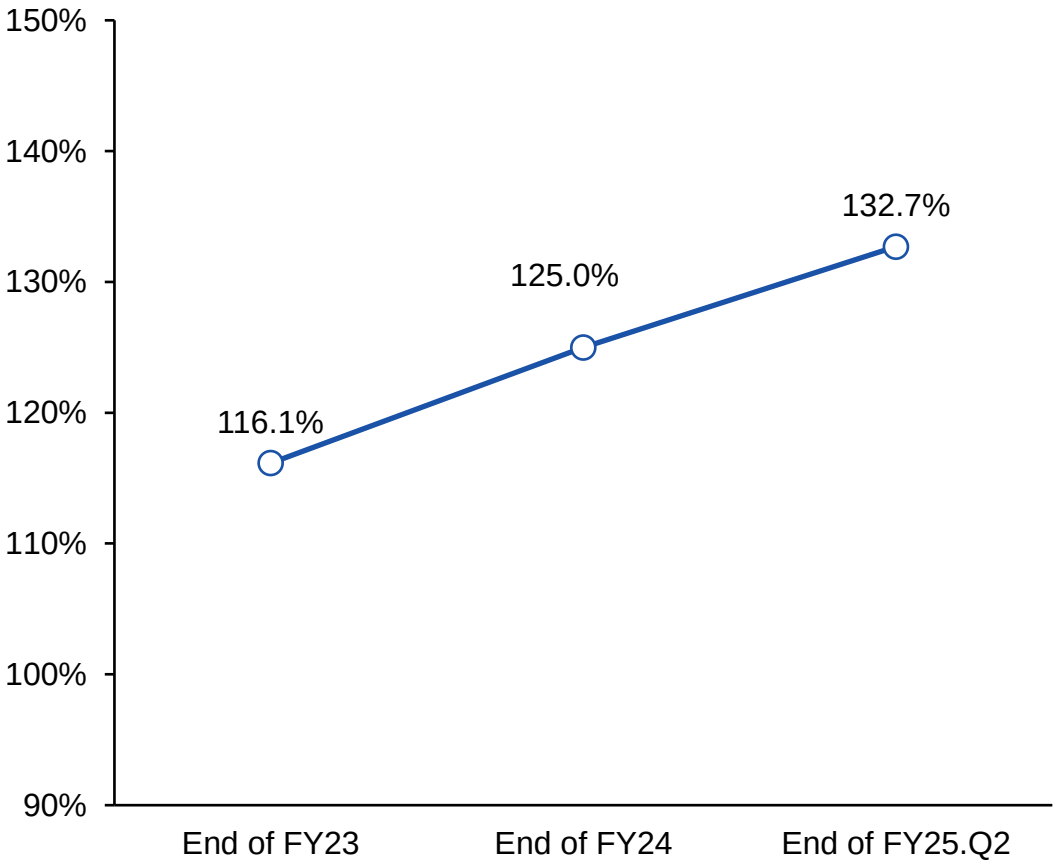


Sony Life: Asset and Liability Cash Flow Trend and : Interest Rate Sensitivity Matching Ratio (Yen Basis/Non-Consolidated)

Asset and Liability CF (End of FY25.Q2)

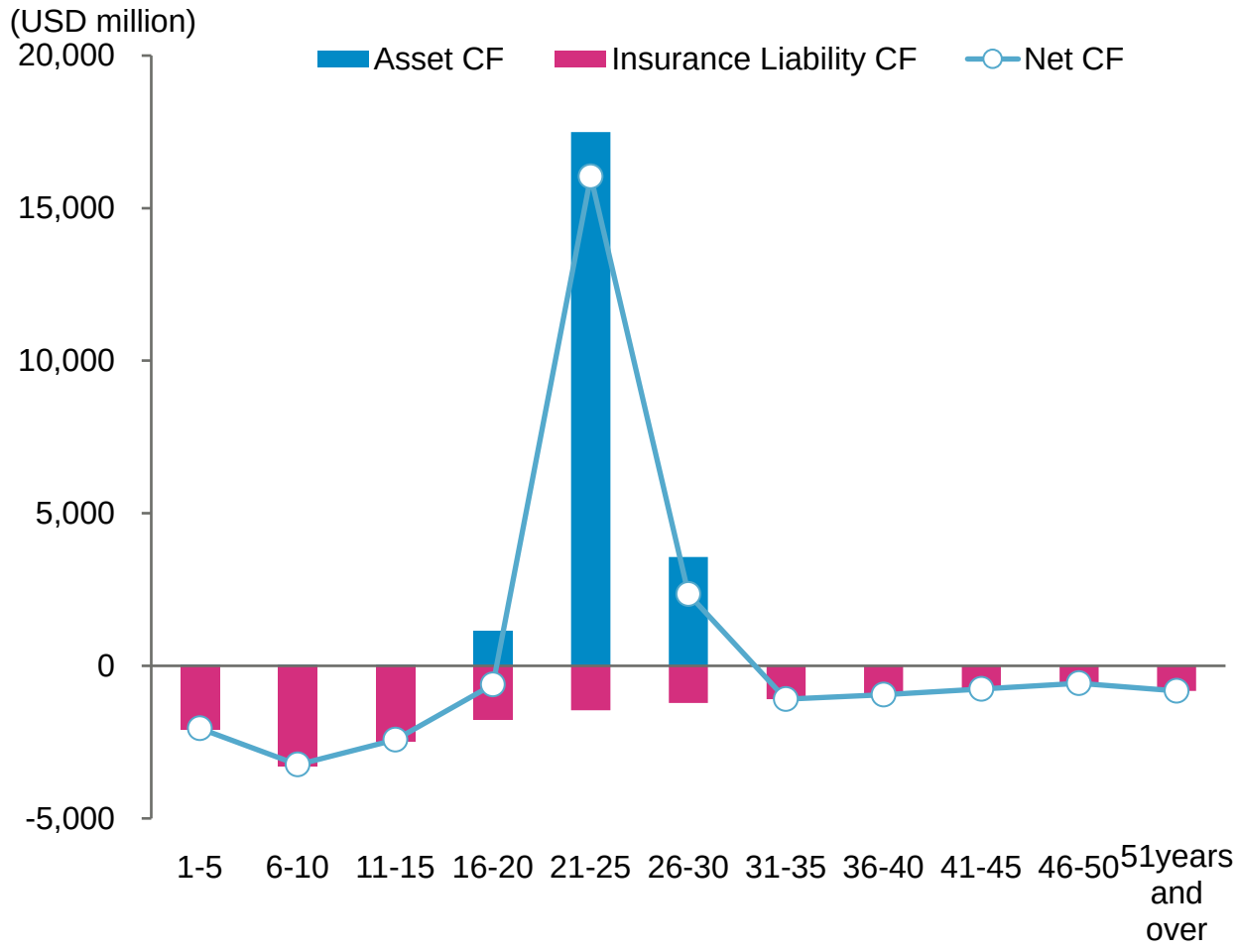


Interest Rate Sensitivity Matching Ratio



Sony Life: Transition of Asset and Liability Cash Flow and Lapse and Surrender rates (U.S. dollar Basis/Non-Consolidated)

Asset and Liability CF (End of FY25.Q2)



Transition of lapse and surrender rates*1

	FY21	FY22	FY23	FY24	FY25.1H (annualized)
Entire company of Sony Life	4.4%	6.7%	7.0%	6.0%	5.3%
U.S. dollar -denominated insurance	3.4%	9.6%	10.0%	9.0%	5.6%

	FY24.1H	FY25.1H
Entire company	3.0%	2.6%
Foreign currency denominated	5.5%	2.8%

*1: The ratio of the amount of contracts that are cancelled or expire, excluding reductions or increases in contract amounts and reinstatements, divided by the amount of policies in force at the beginning of the fiscal year. Based on U.S. dollars, not converted to yen for U.S. dollar-denominated insurance

Notes

Sony Financial Group (“Sony FG”) refers to the financial services group consisting of Sony Financial Group Inc. (“SFGI”), and its subsidiaries including Sony Life Insurance Co., Ltd. (“Sony Life”), Sony Assurance Inc. (“Sony Assurance”), Sony Bank Inc. (“Sony Bank”), Sony Lifecare Inc. (“SLC”), Sony Financial Ventures Inc. (“SFV”), and their subsidiaries and affiliates.

The consolidated and non-consolidated financial results of SFGI, Sony Life, Sony Assurance and Sony Bank are prepared in accordance with Japanese accounting standards (“J-GAAP”). This presentation discloses past performance and specific targets of Sony FG companies based on the International Financial Reporting Standards (“IFRS Accounting Standards”) for the purpose of international financial information comparability and to illustrate management indicators suitable for the long-term management focus of Sony FG. Sony FG believes that these disclosures provide useful information to investors. These disclosures based on IFRS Accounting Standards are not meant to replace the J-GAAP disclosure of the management performance of SFGI, Sony Life, Sony Assurance, and Sony Bank but may be referred to as additional information.

Unless otherwise indicated, figures, ratios and percentages less than their respective indicated unit in this presentation have been rounded to the nearest whole number or truncated.

“Lifeplanner” is a registered trademark of Sony Life. Company names and product names that appear in this presentation, other than those mentioned above, are trademarks or registered trademarks of Sony Group Corporation or Sony FG companies.

The IFRS adjusted net income detailed in this presentation excludes the impact of one-time gains and losses. Sony FG considers these metrics to represent businesses’ sustainable earning power and to facilitate assessment, from a management-level perspective, of long-term business expansion through the cycle of investments and returns across Sony FG. While these management metrics are not presented in accordance with J-GAAP or IFRS Accounting Standards, Sony FG believes that these disclosures provide useful information to investors. The IFRS adjusted net income is not intended to replace the J-GAAP disclosure of the management performance of SFGI, Sony Life, Sony Assurance, and Sony Bank, but may be referred to as additional information.

This presentation contains statements concerning the current plans, expectations, strategies and beliefs of Sony FG. 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 FG, 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 FG is 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.