

Please be aware that, in the following remarks, statements made with respect to Sony's current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of Sony. These statements are based on management's assumptions in light of the information currently available to it, and, therefore, you should not place undue reliance on them.

Sony cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements. For additional information as to risks and uncertainties, as well as other factors that could cause actual results to differ, please refer to today's press release, which can be accessed by visiting www.sony.net/IR.

- **Q1 FY2017 Consolidated Results and FY2017 Consolidated Forecast**
- **Segments Outlook**

I'm CFO Kenichiro Yoshida.

Today I would like to explain two topics in the next 15 minutes:

Q1 FY2017 Consolidated Results

(Bln Yen)

	Q1 FY16	Q1 FY17	Change
Sales & operating revenue	1,613.2	**1,858.1**	+15.2%
Operating income	56.2	**157.6**	+180.5%
Income before income taxes	57.0	**148.9**	+161.1%
Net income attributable to Sony Corporation's stockholders	21.2	**80.9**	+282.1%
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	16.44 yen	**62.70 yen**	+281.4%
Restructuring charges*1	1.7	**2.4**	+39.7%
Additions to long-lived assets*2	66.0	**67.4**	+2.1%
Depreciation and amortization*3	93.6	**83.3**	-11.0%
Research and development expenses	110.2	**101.8**	-7.6%
Average rate			
1 US dollar	108.1 yen	**111.1 yen**	
1 Euro	122.1 yen	**122.1 yen**	

*1 Restructuring charges are included in operating income as operating expenses (applies to all following pages)
*2 Does not include the increase in intangible assets resulting from acquisitions (applies to all following pages)
*3 Includes amortization expenses for intangible assets and for deferred insurance acquisition costs (applies to all following pages)

Consolidated sales for the first quarter ended June 30, 2017 increased 15% year-on-year to 1 trillion 858.1 billion yen. Consolidated operating income was 157.6 billion yen, approximately 2.8 times as high as the same quarter of the previous fiscal year. Net income attributable to Sony Corporation's stockholders was 80.9 billion yen, approximately 3.8 times as high as the same quarter of the previous fiscal year.

Operating Income Excluding One-time Items*

	Operating Income	Operating Income Excluding One-time Items	One-time Items*
Q1 FY16	56.2 bln yen	**109.4 bln yen**	■ Impact of the 2016 Kumamoto Earthquakes (-34.2 bln yen) ■ Insurance recoveries related to the 2016 Kumamoto Earthquakes (+1.3 bln yen) ■ Impairment charge against long-lived assets resulting from the termination of development and manufacturing of high-functionality camera modules (-20.3 bln yen)
Q1 FY17	157.6 bln yen	**120.8 bln yen**	■ Gain resulting from the sale of an equity interest in a manufacturing subsidiary in the camera modules business (+27.5 bln yen) ■ Insurance recoveries related to the 2016 Kumamoto Earthquakes (+9.3 bln yen)
Change from FY16	+101.4 bln yen	**+11.4 bln yen** (+10.4%)	

*The above monetary amounts have been separately disclosed in the "Consolidated Financial Results" for the first quarters ended June 30, 2016 and 2017 and the "Handout" for the first quarters ended June 30, 2016 and 2017.

As is shown in this slide, the operating income in the first quarters of FY17 and the previous fiscal year ended March 31, 2017 ("FY16") include many one-time gains and losses. In the first quarter of FY16, a negative impact from the April 2016 Kumamoto Earthquakes ("the Earthquakes") and an impairment against camera module long-lived assets were recorded. In the first quarter of FY17, a gain resulting from the sale of a manufacturing subsidiary in the camera module business and insurance recoveries related to the Earthquakes were recorded. Excluding these one-time items, operating income would have increased 11.4 billion yen, or slightly more than 10% year-on-year.

Q1 FY2017 Results by Segment [Reclassified]

(Bln Yen)

		Q1 FY16	Q1 FY17	Change	FX Impact
Mobile Communications (MC)	Sales	185.9	181.2	-2.5%	+1%
	Operating income	0.4	3.6	+3.2 bln yen	+1.4 bln yen
Game& Network Services (G&NS)	Sales	330.4	348.1	+5.4%	+1%
	Operating income	44.0	17.7	-26.3 bln yen	-2.4 bln yen
Imaging Products & Solutions (IP&S)	Sales	122.2	155.6	+27.3%	+1%
	Operating income	7.5	23.2	+15.7 bln yen	-0 bln yen
Home Entertainment & Sound (HE&S)	Sales	235.9	256.9	+8.9%	+2%
	Operating income	20.2	22.6	+2.3 bln yen	+0.2 bln yen
Semiconductors	Sales	144.4	204.3	+41.4%	+3%
	Operating income	-43.5	55.4	+99.0 bln yen	+2.5 bln yen
Pictures	Sales	183.3	205.8	+12.3%	+3%
	Operating income	-10.6	-9.5	+1.1 bln yen	
Music	Sales	141.9	168.6	+18.8%	+2%
	Operating income	15.9	25.0	+9.1 bln yen	
Financial Services	Revenue	232.7	303.2	+30.3%	
	Operating income	48.5	46.2	-2.3 bln yen	
All Other	Sales	100.8	109.2	+8.4%	
	Operating income	-7.0	-8.2	-1.3 bln yen	
Corporate and elimination	Sales	-64.4	-74.7	-	
	Operating income	-19.3	-18.5	+0.8 bln yen	
Consolidated total	Sales	1,613.2	1,858.1	+15.2%	
	Operating income	56.2	157.6	+101.4 bln yen	

- Due to Sony's realignment of its business segments in Q1 FY2017, certain figures in past fiscal years have been reclassified to conform to the presentation of FY17 (applies to all following pages)
- Sales and Revenue in each business segment represents sales and revenue recorded before intersegment transactions are eliminated. Operating income in each business segment represents operating income reported before intersegment transactions are eliminated and excludes unallocated corporate expenses (applies to all following pages)
- Both Sales and Revenue include operating revenue and intersegment sales (applies to all following pages)
- For definition of FX Impact, please see P.7 of "Consolidated Financial Results for the First Quarter Ended June 30, 2017" (applies to all following pages)

This chart shows the results of each segment for the first quarter. From the first quarter, we eliminated the former Components segment, and the businesses previously within the Components segment are now included in All Other. The transfer of the battery business, which accounts for approximately 60% of the sales of the businesses formerly within the Components segment, to Murata Manufacturing Co., Ltd. is expected to be completed on September 1st of this year. Businesses that will remain in All Other include the storage media business.

FY2017 Consolidated Results Forecast

(Bln Yen)

	FY16	FY17 April FCT	FY17 August FCT	Change from April FCT
Sales & operating revenue	7,603.3	8,000	**8,300**	+3.8%
Operating income	288.7	500	**500**	-
Income before income taxes	251.6	470	**470**	-
Net income attributable to Sony Corporation's stockholders	73.3	255	**255**	-
Restructuring charges	60.2	15	**15**	-
Additions to long-lived assets	272.2	330	**330**	-
Depreciation & amortization	327.0	355	**355**	-
Research & development expenses	447.5	450	**450**	-

Foreign exchange rates	Actual	Assumption	Assumption (Q2-Q4 FY17)
1 US dollar	108.4 yen	Approx. 105 yen	Approx. 110 yen
1 Euro	118.8 yen	Approx. 110 yen	Approx 120 yen

Dividend per Share (Planned)	
Interim	12.5 yen
Year-end	Undecided

Next is the consolidated results forecast for the current fiscal year. Our consolidated sales forecast has been upwardly revised by 300 billion yen, primarily due to the impact of foreign exchange rates. The forecasts for operating income, income before income taxes and net income remain unchanged from the April forecast. Our foreign exchange rate assumptions have been changed to 110 yen to the U.S. dollar and 120 yen to the euro, as is shown here. As to the interim dividend for FY17, we plan to pay 12.5 yen per share.

FY2017 Results Forecast by Segment [Reclassified]

(Bln Yen)

		FY16	FY17 April FCT	FY17 August FCT	Change from April FCT
Mobile Communications (MC)	Sales	759.1	820	**820**	-
	Operating income	10.2	5	**5**	-
Game & Network Services (G&NS)	Sales	1,649.8	1,890	**1,980**	+4.8%
	Operating income	135.6	170	**180**	+10 bln yen
Imaging Products & Solutions (IP&S)	Sales	579.6	640	**650**	+1.6%
	Operating income	47.3	60	**72**	+12 bln yen
Home Entertainment & Sound (HE&S)	Sales	1,039.0	1,120	**1,170**	+4.5%
	Operating income	58.5	58	**58**	-
Semiconductors	Sales	773.1	880	**860**	−2.3%
	Operating income	-7.8	120	**130**	+10 bln yen
Pictures	Sales	903.1	1,020	**1,020**	-
	Operating income	-80.5	39	**39**	-
Music	Sales	647.7	630	**630**	-
	Operating income	75.8	75	**75**	-
Financial Services	Revenue	1,087.5	1,170	**1,170**	-
	Operating income	166.4	170	**170**	-
All Other, Corporate and elimination	Operating income	-116.7	-197	**-229**	−32 bln yen
Consolidated total	Sales	7,603.3	8,000	**8,300**	+3.8%
	Operating income	288.7	500	**500**	-

Segment Forecast FX Rate Assumption (Q2-Q4 FY17)

1 US dollar	112 yen
1 Euro	128 yen

Consolidated Forecast FX Rate Assumption (Q2-Q4 FY17)

1 US dollar	110 yen
1 Euro	120 yen

An approximate -40 billion yen impact on consolidated operating income resulting from the difference between the two FX rate assumptions above has been included in the forecast for All Other, Corporate and elimination.

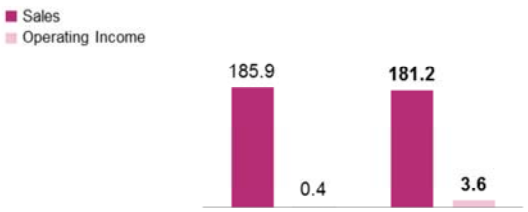
This -40 billion yen impact includes the impact of emerging market currencies.

Next, here you can see the forecast for the fiscal year by segment. As is shown here, we have changed the operating income forecast for the Imaging Products & Solutions, Game & Network Services and Semiconductors segments. As is shown in the upper right, we used 112 yen to the U.S. dollar and 128 yen to the euro when formulating the forecasts for each of the segments. There is an approximately 40 billion yen negative impact on operating income, which is included in Corporate and elimination, resulting from the difference caused by our using the rates for the consolidated forecast that I mentioned previously – 110 yen to the U.S. dollar and 120 yen to the euro – as well as the impact of emerging market currencies. Now I will turn to the situation in each of our businesses.

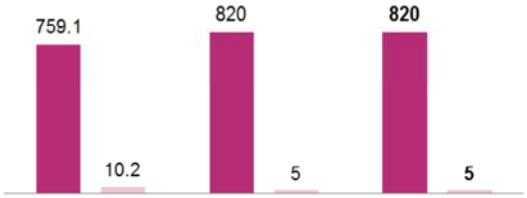
Mobile Communications Segment

Sales and Operating Income

(Bln Yen)



(Mln Units)	Q1 FY16	**Q1 FY17**
Smartphones	3.1	**3.4**



(Mln Units)	FY16	FY17 April FCT	**FY17 August FCT**
Smartphones	14.6	16.5	**16.5**

Q1 FY2017 (year-on-year)

- Sales: Essentially flat (2.5% decrease) (FX Impact: +1%)
  - ·(–) Change in product mix of smartphones
  - ·(+) Increase in smartphone unit sales
- OI: 3.2 bln yen increase (FX Impact: +1.4 bln yen)
  - ·(+) Reductions in operating costs and research and development expenses
  - ·(–) Increase in the price of key components

FY2017 Forecast

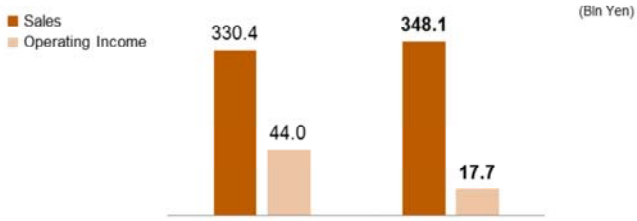
- Sales / OI: Remain unchanged from April forecast

First I will explain the Mobile Communications segment. Mainly due to a change in the product mix of smartphones, sales for the quarter decreased 3% year-on-year. Operating income increased year-on-year to 3.6 billion yen primarily due to reductions in operating costs and research and development expenses.

Our sales and operating income forecasts for the fiscal year remain unchanged. We have maintained our 5 billion yen operating income forecast despite a further increase in the price of memory and other smartphone components above what we expected in April, because we expect to offset the negative impact of these increases with cost reductions.

Game & Network Services Segment

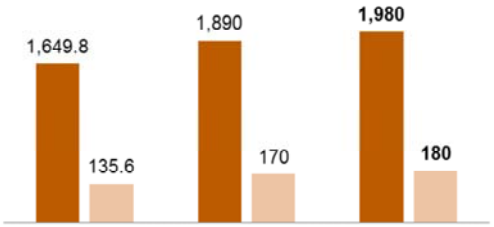
Sales and Operating Income



(Mln Units)	Q1 FY16	**Q1 FY17**
PS4	3.5	**3.3**

Q1 FY2017 (year-on-year)

- Sales: 5.4% increase (FX Impact: +1%)
  - ·(+) Increase in PS4 software sales including sales through the network
  - ·(+) Contribution of PlayStation®VR
  - ·(–) Impact of price reduction for PS4 hardware which took place in September 2016
- OI: 26.3 bln yen significant decrease (FX Impact: -2.4 bln yen)
  - ·(–) Absence of the significant contribution of a highly profitable first-party software title released in Q1 FY16
  - ·(–) Impact of price reduction for PS4 hardware



(Mln Units)	FY16	FY17 April FCT	**FY17 August FCT**
PS4	20.0	18	**18**

FY2017 Forecast (change from April forecast)

- Sales: 4.8% upward revision
  - ·(+) Impact of foreign exchange rates
- OI: 10 bln yen upward revision
  - ·(+) Positive impact of foreign exchange rates

Next I will explain the Game & Network Services segment. Sales for the quarter increased 5% year-on-year. Operating income decreased 26.3 billion yen year-on-year to 17.7 billion yen, primarily due to the absence of the significant contribution from *Uncharted 4*, a first-party title that went on sale in the same quarter of the previous fiscal year, and the impact of a price reduction on PS4 hardware. Network revenue increased 34% year-on-year.

Our operating income forecast has been upwardly revised by 10 billion yen to 180 billion yen, primarily due to the impact of appreciation of euro against U.S. dollar.

Game & Network Services Segment

ForwardWorks

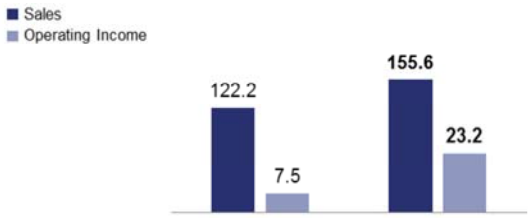




ForwardWorks, which distributes game applications for mobile products, started to distribute its first game, *Everybody's Golf*, on July 4th. It has been downloaded more than 2 million times. We look forward to expanding the business going forward and are planning to distribute our first original content called *Sora to Umi no Aida* from the beginning of October.

Imaging Products & Solutions Segment

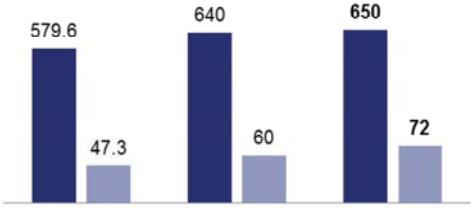
Sales and Operating Income



(Mln Units)	Q1 FY16	**Q1 FY17**
Digital Cameras*	0.8	**1.25**

Q1 FY2017 (year-on-year)

- Sales: 27.3% significant increase (FX Impact: +1%)
  - ·(+) Absence of the impact from the 2016 Kumamoto Earthquakes in Q1 FY16
  - ·(+) Increase in sales of Still and Video Cameras
    - ·(+) Increase in unit sales
    - ·(+) Improvement in product mix reflecting a shift to high value-added models
- OI: 15.7 bln yen significant increase (FX Impact: No material impact)
  - ·(+) Significant increase in sales
  - ·(+) Insurance recoveries related to the 2016 Kumamoto Earthquakes (2.6 bln yen)
  - ·(–) Increase in selling, general and administrative expenses



(Mln Units)	FY16	FY17 April FCT	**FY17 August FCT**
Digital Cameras*	4.2	3.8	**4**

FY2017 Forecast (change from April forecast)

- Sales: 1.6% upward revision
  - ·(+) Impact of foreign exchange rates
- OI: 12 bln yen upward revision
  - ·(+) Positive impact of foreign exchange rates

*Includes compact digital cameras and interchangeable single-lens cameras / Excludes interchangeable lenses

Next I will explain the Imaging Products & Solutions segment. Sales for the quarter increased 27% year-on-year mainly due to the absence of the impact of component shortages which resulted from the Earthquakes in the same quarter of the previous fiscal year. Operating income increased 15.7 billion yen year-on-year to 23.2 billion yen mainly due to the impact of the increase in sales.

Imaging Products & Solutions Segment Operating Income Excluding One-time Items*

	Operating Income	Operating Income Excluding One-time Items	One-time Items*
Q1 FY16	7.5 bln yen	**14.5 bln yen**	■ Impact of the 2016 Kumamoto Earthquakes (-7.0 bln yen)
Q1 FY17	23.2 bln yen	**20.6 bln yen**	■ Insurance recoveries related to the 2016 Kumamoto Earthquakes (+2.6 bln yen)
Change from FY16	+15.7 bln yen	**+6.1 bln yen**	

*The above monetary amounts have been separately disclosed in the "Consolidated Financial Results" for the first quarters ended June 30, 2016 and 2017 and the "Handout" for the first quarters ended June 30, 2016 and 2017.

Excluding the impact of the Earthquakes, the underlying year-on-year increase in operating income would have been 6.1 billion yen, as is shown in this slide.

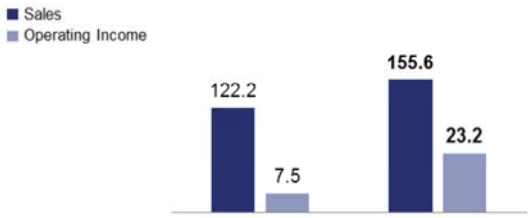
Imaging Products & Solutions Segment



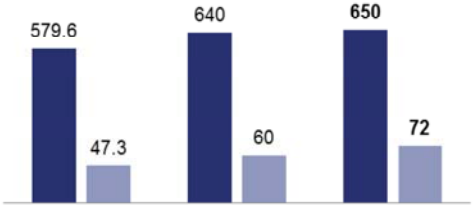
In the digital imaging business, we launched the α9 in May, a full-frame mirrorless interchangeable single-lens camera, which has a high-rate burst capture feature. This camera is being received very well not only by professional sports photographers but also by news photographers.

Imaging Products & Solutions Segment

Sales and Operating Income



(Mln Units)	Q1 FY16	**Q1 FY17**
Digital Cameras*	0.8	**1.25**



(Mln Units)	FY16	FY17 April FCT	**FY17 August FCT**
Digital Cameras*	4.2	3.8	**4**

*Includes compact digital cameras and interchangeable single-lens cameras / Excludes interchangeable lenses

Q1 FY2017 (year-on-year)

- Sales: 27.3% significant increase (FX Impact: +1%)
  - ·(+) Absence of the impact from the 2016 Kumamoto Earthquakes in Q1 FY16
  - ·(+) Increase in sales of Still and Video Cameras
    - ·(+) Increase in unit sales
    - ·(+) Improvement in product mix reflecting a shift to high value-added models
- OI: 15.7 bln yen significant increase (FX Impact: No material impact)
  - ·(+) Significant increase in sales
  - ·(+) Insurance recoveries related to the 2016 Kumamoto Earthquakes (2.6 bln yen)
  - ·(–) Increase in selling, general and administrative expenses

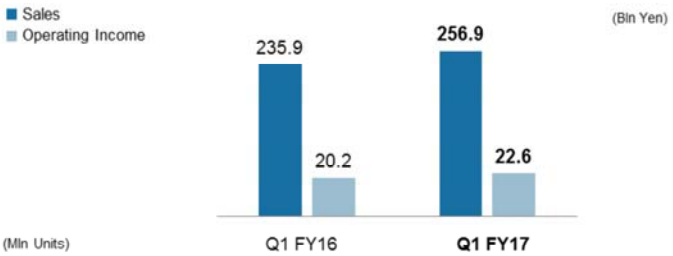
FY2017 Forecast (change from April forecast)

- Sales: 1.6% upward revision
  - ·(+) Impact of foreign exchange rates
- OI: 12 bln yen upward revision
  - ·(+) Positive impact of foreign exchange rates

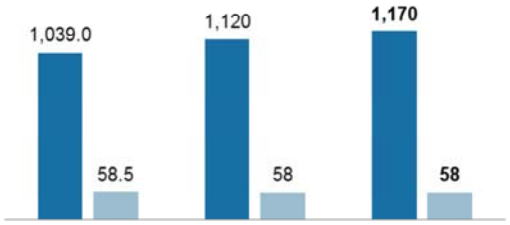
Our operating income forecast has been upwardly revised by 12 billion yen to 72 billion yen, primarily due to the impact of depreciation of the yen.

Home Entertainment & Sound Segment

Sales and Operating Income



(Mln Units)	Q1 FY16	**Q1 FY17**
TVs	2.7	**2.5**



(Mln Units)	FY16	FY17 April FCT	**FY17 August FCT**
TVs	12.1	12	**12**

Q1 FY2017 (year-on-year)

- Sales: 8.9% increase (FX impact: +2%)
  - ·(+) Improvement in product mix of televisions reflecting a shift to high value-added models
  - ·(–) Decrease in unit sales of televisions
- OI: 2.3 bln yen increase (FX Impact: +0.2 bln yen)
  - ·(+) Improvement in product mix of televisions reflecting a shift to high value-added models
  - ·(–) Increase in the price of key components
  - ·(–) Increase in marketing costs

FY2017 Forecast (change from April forecast)

- Sales: 4.5% upward revision
  - ·(+) Impact of foreign exchange rates
- OI: Remain unchanged from April forecast
  - ·(+) Positive impact of foreign exchange rates
  - ·(–) More conservative estimation of unit selling prices

Next I will explain the Home Entertainment & Sound segment. Sales for the quarter increased 9% year-on-year, and operating income increased 2.3 billion yen to 22.6 billion yen. We continue to improve the product mix reflecting a shift to high value-added models such as 4K TVs.

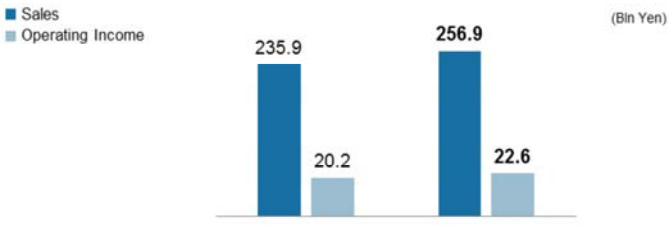
Home Entertainment & Sound Segment



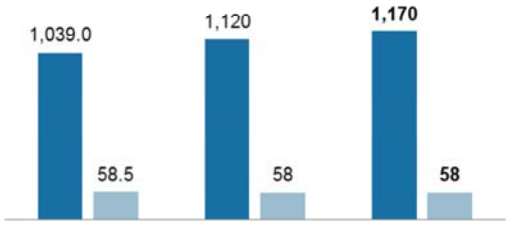
Our OLED TVs, which launched in June, have superior picture and sound quality, as well as a superior design, and their sales continue to be strong.

Home Entertainment & Sound Segment

Sales and Operating Income



(Mln Units)	Q1 FY16	**Q1 FY17**
TVs	2.7	**2.5**



(Mln Units)	FY16	FY17 April FCT	**FY17 August FCT**
TVs	12.1	12	**12**

Q1 FY2017 (year-on-year)

- Sales: 8.9% increase (FX impact: +2%)
  - ·(+) Improvement in product mix of televisions reflecting a shift to high value-added models
  - ·(–) Decrease in unit sales of televisions
- OI: 2.3 bln yen increase (FX Impact: +0.2 bln yen)
  - ·(+) Improvement in product mix of televisions reflecting a shift to high value-added models
  - ·(–) Increase in the price of key components
  - ·(–) Increase in marketing costs

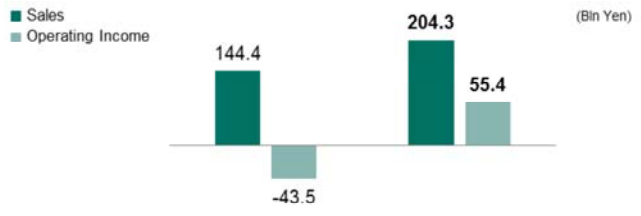
FY2017 Forecast (change from April forecast)

- Sales: 4.5% upward revision
  - ·(+) Impact of foreign exchange rates
- OI: Remain unchanged from April forecast
  - ·(+) Positive impact of foreign exchange rates
  - ·(–) More conservative estimation of unit selling prices

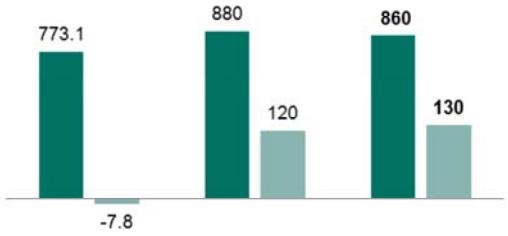
Our operating income forecast for the fiscal year remains unchanged.

Semiconductors Segment

Sales and Operating Income



	Q1 FY16	Q1 FY17
Image Sensors*1 Sales	92.0	**148.8**



	FY16	FY17 April FCT	FY17 August FCT
Image Sensors*1 Sales	548.6	680	**660**
Additions to long-lived assets for Semiconductors Segment	84.0	130	**130**
for Image Sensors*1 (included above)	45.0	110	**110**

Q1 FY2017 (year-on-year)

- Sales: 41.4% significant increase (FX Impact: +3%)
  - ·(+) Significant increase in sales of image sensors
    - ·(+) Significant increase in unit sales of image sensors for mobile products
    - ·(+) Absence of the impact of a decrease in production due to the 2016 Kumamoto Earthquakes in Q1 FY16
  - ·(–) Significant decrease in sales of camera modules, a business which was downsized
- OI: 99.0 bln yen significant improvement (FX Impact: +2.5 bln yen)
  - ·(+) Increase in sales
  - ·(+) 27.5 bln yen gain resulting from the sale of the entire equity interest in a manufacturing subsidiary in the camera module business
  - ·(+) 6.7 bln yen in insurance recoveries related to the 2016 Kumamoto Earthquakes
  - ·(+) Absence of the 20.3 bln yen impairment charge against long-lived assets for camera modules recorded in Q1 FY16
  - ·(+) Absence of the net charges of 13.6 bln yen*2 for expenses resulting from the 2016 Kumamoto Earthquakes recorded in Q1 FY16

FY2017 Forecast (change from April forecast)

- Sales: 2.3% downward revision
  - ·(–) Lower-than-expected unit sales of image sensors for mobile products
  - ·(+) Impact of foreign exchange rates
- OI: 10 bln yen upward revision
  - ·(+) Lower-than-expected production costs
  - ·(+) Positive impact of foreign exchange rate
  - ·(–) Decrease in sales of image sensors

*1 Category changes
Image sensors with sensing capabilities previously included in Other are now integrated into the Image Sensors category.
*2 Includes repair costs of certain fixed assets and a loss on disposal of inventories directly damaged by the earthquakes (net of probable insurance recoveries) as well as idle facility costs at manufacturing sites affected by the earthquakes. Does not include lost profit from missed sales opportunities.

Next I will explain the Semiconductors segment. Sales for the quarter increased 41% year-on-year and operating income of 55.4 billion yen was recorded, an improvement of 99.0 billion yen year-on-year. This increase in sales was primarily due to an increase in unit sales of image sensors for mobile products and the absence of the impact of the Earthquakes in the same quarter of the previous fiscal year.

Semiconductors Segment Operating Income Excluding One-time Items*

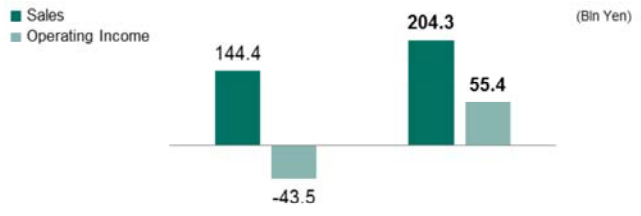
	Operating Income	Operating Income Excluding One-time Items	One-time Items*
Q1 FY16	-43.5 bln yen	**0.2 bln yen**	■ Impact of the 2016 Kumamoto Earthquakes (-24.7 bln yen) ■ Insurance recoveries related to the 2016 Kumamoto Earthquakes (+1.3 bln yen) ■ Impairment charge against long-lived assets resulting from the termination of development and manufacturing of high-functionality camera modules (-20.3 bln yen)
Q1 FY17	55.4 bln yen	**21.2 bln yen**	■ Gain resulting from the sale of an equity interest in a manufacturing subsidiary in the camera modules business (+27.5 bln yen) ■ Insurance recoveries related to the 2016 Kumamoto Earthquakes (+6.7 bln yen)
Change from FY16	+99.0 bln yen	**+21.1 bln yen**	

*The above monetary amounts have been separately disclosed in the "Consolidated Financial Results" for the first quarters ended June 30, 2016 and 2017 and the "Handout" for the first quarters ended June 30, 2016 and 2017.

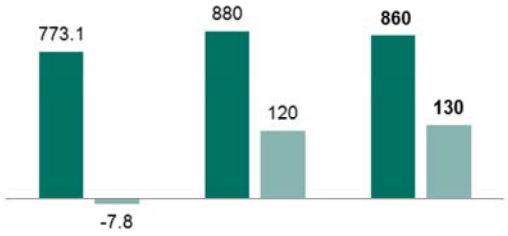
As I mentioned at the beginning of my remarks, there were one-time items such as the Earthquakes and camera modules. Excluding these one-time items, as is shown on this slide, underlying operating income would have increased 21.1 billion yen year-on-year. The primary reasons for the increase in underlying operating income was the increase in unit sales of image sensors for mobile products that I mentioned before.

Semiconductors Segment

Sales and Operating Income



	Q1 FY16	**Q1 FY17**
Image Sensors*1 Sales	92.0	**148.8**



	FY16	FY17 April FCT	**FY17 August FCT**
Image Sensors*1 Sales	548.6	680	**660**
Additions to long-lived assets for Semiconductors Segment	84.0	130	**130**
for Image Sensors*1 (included above)	45.0	110	**110**

Q1 FY2017 (year-on-year)

- Sales: 41.4% significant increase (FX Impact: +3%)
  - ·(+) Significant increase in sales of image sensors
    - ·(+) Significant increase in unit sales of image sensors for mobile products
    - ·(+) Absence of the impact of a decrease in production due to the 2016 Kumamoto Earthquakes in Q1 FY16
  - ·(–) Significant decrease in sales of camera modules, a business which was downsized
- OI: 99.0 bln yen significant improvement (FX Impact: +2.5 bln yen)
  - ·(+) Increase in sales
  - ·(+) 27.5 bln yen gain resulting from the sale of the entire equity interest in a manufacturing subsidiary in the camera module business
  - ·(+) 6.7 bln yen in insurance recoveries related to the 2016 Kumamoto Earthquakes
  - ·(+) Absence of the 20.3 bln yen impairment charge against long-lived assets for camera modules recorded in Q1 FY16
  - ·(+) Absence of the net charges of 13.6 bln yen*2 for expenses resulting from the 2016 Kumamoto Earthquakes recorded in Q1 FY16

FY2017 Forecast (change from April forecast)

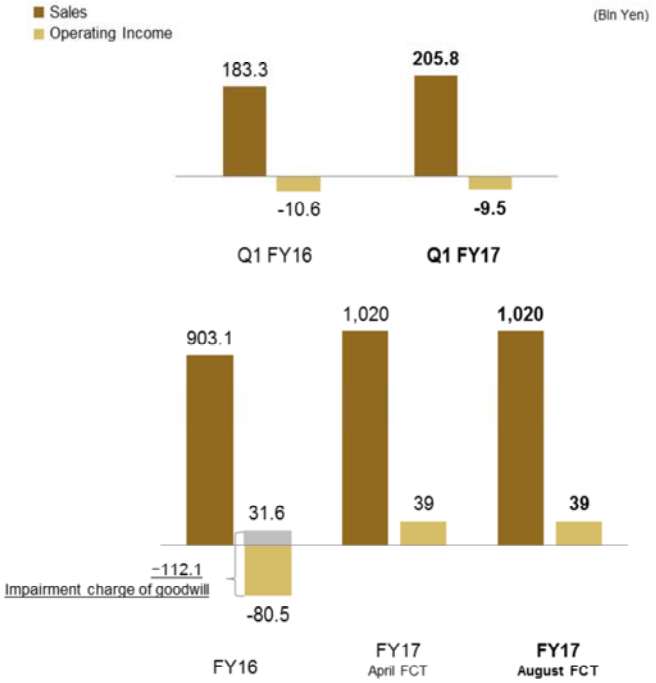
- Sales: 2.3% downward revision
  - ·(–) Lower-than-expected unit sales of image sensors for mobile products
  - ·(+) Impact of foreign exchange rates
- OI: 10 bln yen upward revision
  - ·(+) Lower-than-expected production costs
  - ·(+) Positive impact of foreign exchange rate
  - ·(–) Decrease in sales of image sensors

*1 Category changes
Image sensors with sensing capabilities previously included in Other are now integrated into the Image Sensors category.
*2 Includes repair costs of certain fixed assets and a loss on disposal of inventories directly damaged by the earthquakes (net of probable insurance recoveries) as well as idle facility costs at manufacturing sites affected by the earthquakes. Does not include lost profit from missed sales opportunities.

Our sales forecast has been downwardly revised by 20 billion yen to reflect image sensor unit sales for mobile products, which are expected to be lower than the April forecast. Our operating income forecast has been upwardly revised by 10 billion yen to 130 billion yen, primarily due to the benefit of cost reductions previously undertaken, partially offset by the negative impact of the decrease in sales.

Pictures Segment

Sales and Operating Income



Q1 FY2017 (year-on-year)

The following analysis is on a U.S. dollar basis

- Sales: 12.3% increase (U.S. dollar basis: +9%)
  - ·(+) Significant increase in Television Productions sales due to higher licensing revenue for *The Last Tycoon* and *Better Call Saul*
  - ·(+) Increase in Media Networks sales primarily due to higher advertising revenues in India
  - ·(−) Decrease in Motion Pictures sales due to the strong performance of *The Angry Birds Movie* in the same quarter of the previous fiscal year
- OI: 1.1 bln yen improvement
  - ·(+) Increase in sales for Television Productions and Media Networks
  - ·(−) Higher marketing expenses for unreleased titles including *Spider-Man: Homecoming*

FY2017 Forecast

- Revenue / OI : Remain unchanged from April forecast

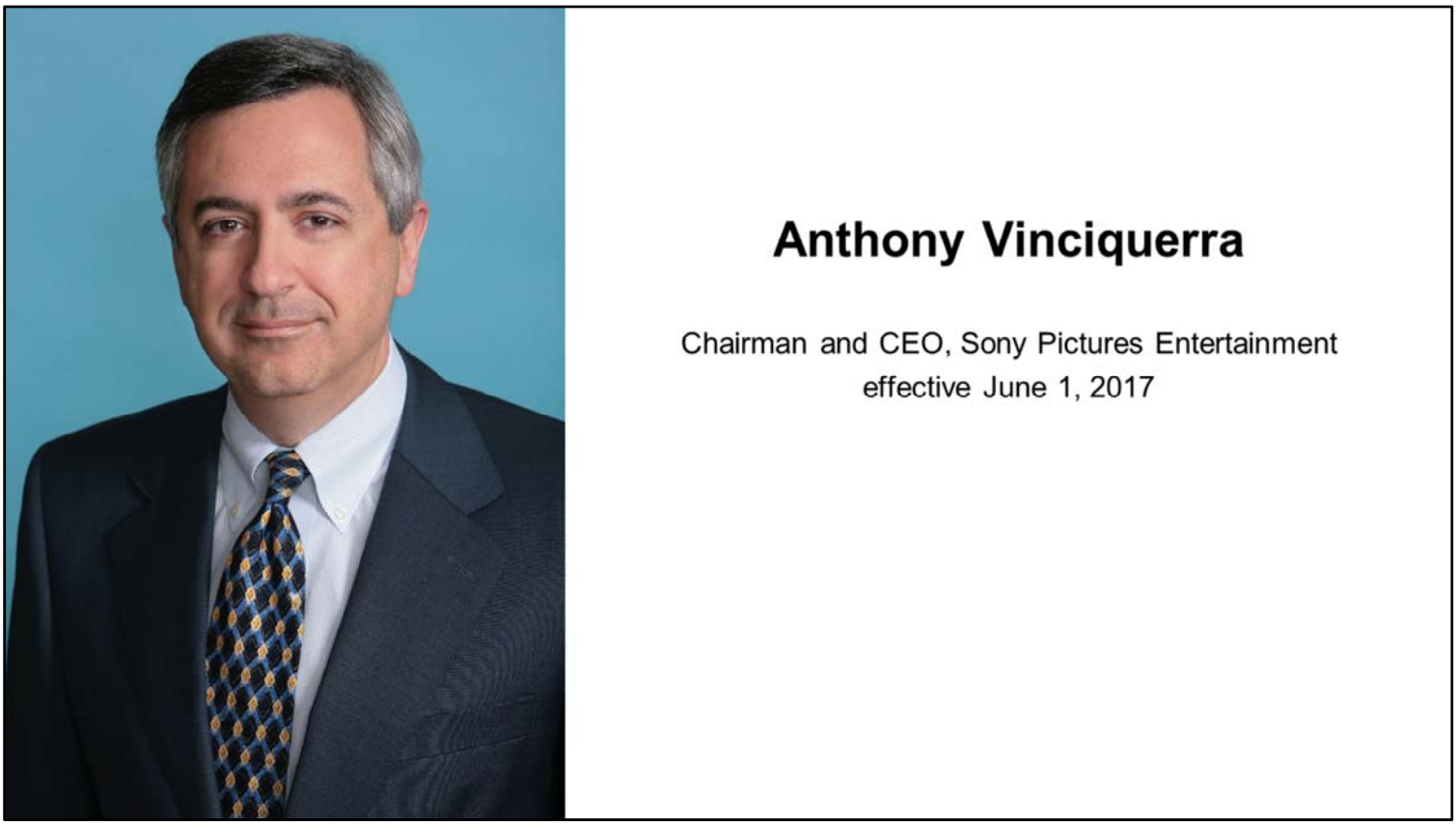
Next I will explain the Pictures segment. Sales for the quarter increased 12% year-on-year and a 9.5 billion yen operating loss was recorded, an improvement of 1.1 billion yen year-on-year. The main reason for the operating results improvement was a contribution from the Television Productions business.

There is no change to the forecast for the fiscal year.

Pictures Segment



As we announced this morning, we have decided to acquire Funimation, a distributor of anime content in the U.S. We plan to acquire 95% of the equity of the company for 143 million U.S. dollars.



As we also announced previously, Tony Vinciquerra became CEO of Sony Pictures on June 1st. Tony has experience managing a variety of entertainment businesses and has accomplished much in his career. He is currently working with the management of each business to quickly assess the status and issues facing their businesses.

Pictures Segment



Spider-Man: Homecoming was released on July 7th and is recording a high level of box office revenue, mainly in the U.S. The movie will be released in Japan on August 11th.

Pictures Segment

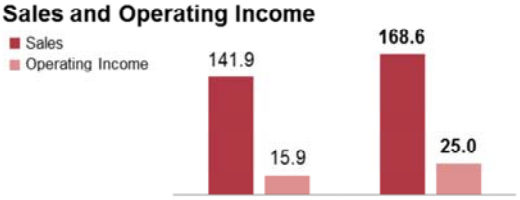


MARVEL and all related character names: © & ™ 2017 MARVEL

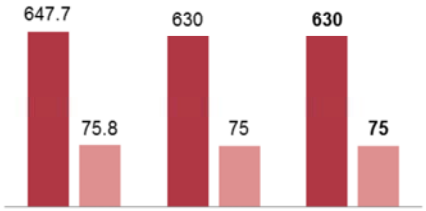
We plan to release *Venom*, an offshoot of *Spiderman*, in the fall of 2018. Like *Spider-Man* and *Venom*, there are hundreds of Marvel characters for which we have the film-making rights, and we plan to pro-actively leverage that IP going forward.

Music Segment

Sales and Operating Income



	1Q FY16	1Q FY17
Recorded Music Category Revenue	89.7	**99.8**
Streaming* Revenue (included above)	30.7	**38.4**



	FY16	FY17 April FCT	**FY17 August FCT**
Recorded Music Category Revenue	388.9	-	-
Streaming* Revenue (included above)	140.6	-	-

*Streaming includes digital audio, digital video and digital radio, and includes revenue from both subscription and ad-supported services.

Q1 FY2017 (year-on-year)

- Sales: 18.8% significant increase (FX Impact: +2%)
  - ·(+) Increase in Visual Media and Platform sales due to the strong performance of *Fate/Grand Order*, a game application for mobile devices in Japan
  - ·(+) Increase in Recorded Music sales due to an increase in digital streaming revenues
- OI: 9.1 bln yen increase
  - ·(+) Increase in Visual Media and Platform sales
  - ·(+) Increase in Recorded Music sales

FY2017 Forecast

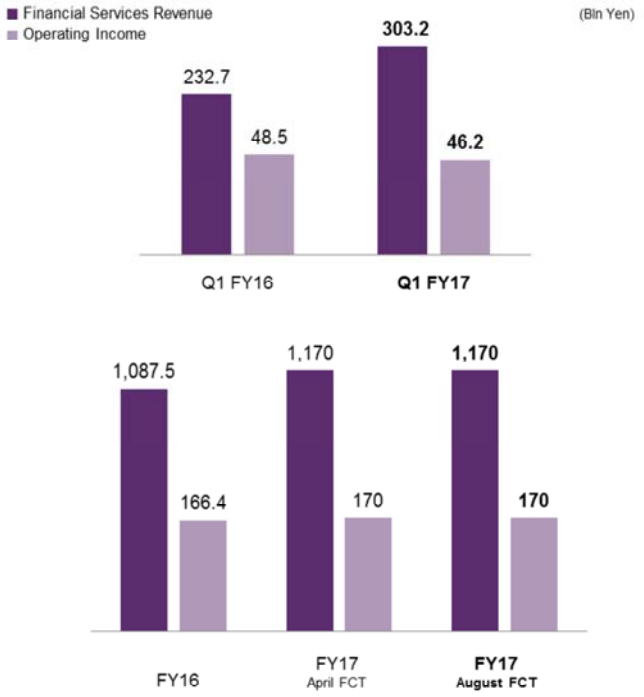
- Revenue / OI : Remain unchanged from April forecast

Next I will explain the Music segment. Sales for the quarter increased 19% year-on-year, and operating income increased 9.1 billion yen year-on-year to 25.0 billion yen. *Fate/Grand Order*, a mobile game application, continues to contribute to financial performance.

There is no change to the forecast for the fiscal year.

Financial Services Segment

Financial Services Revenue and Operating Income



Q1 FY2017 (year-on-year)

- Revenue: 30.3% increase
  - (+) Significant increase in revenue at Sony Life (35.5% increase, revenue: 270.4 bln yen)
    - (+) Improvement in investment performance in the separate account mainly due to a rise in the Japanese stock market during the current quarter
- OI: 2.3 bln yen decrease
  - (–) Decrease in OI of Sony Life (2.4 bln yen decrease, OI: 39.1 bln yen)
    - (–) Deterioration in net gains and losses on derivative transactions for hedging purposes pertaining to other securities
    - (–) Decrease of net gains on sales of securities

FY2017 Forecast

- Revenue / OI : Remain unchanged from April forecast

Lastly, I will explain the Financial Services segment. Revenues increased 30% year-on-year, but operating income decreased year-on-year to 46.2 billion yen. Revenue increased due to the improvement of investment performance in the separate account at our primary business, Sony Life, primarily reflecting a rise in the Japanese stock market in the current quarter. However, the impact of the improved investment performance had a limited positive impact on operating income because the improvement in investment performance is ultimately attributed to policy holders. The year-on-year decrease in operating income was mainly due to a deterioration in net gains and losses from hedging of equity securities, which are classified as “other securities” for accounting purposes, and a decrease of net gains on sales of securities compared with the same quarter of the previous fiscal year.

There is no change to the forecast for the fiscal year.

FY2017 Results Forecast by Segment [Reclassified]

(Bln Yen)

		FY16	FY17 April FCT	FY17 August FCT	Change from April FCT
Mobile Communications (MC)	Sales	759.1	820	**820**	-
	Operating income	10.2	5	**5**	-
Game & Network Services (G&NS)	Sales	1,649.8	1,890	**1,980**	+4.8%
	Operating income	135.6	170	**180**	+10 bln yen
Imaging Products & Solutions (IP&S)	Sales	579.6	640	**650**	+1.6%
	Operating income	47.3	60	**72**	+12 bln yen
Home Entertainment & Sound (HE&S)	Sales	1,039.0	1,120	**1,170**	+4.5%
	Operating income	58.5	58	**58**	-
Semiconductors	Sales	773.1	880	**860**	−2.3%
	Operating income	-7.8	120	**130**	+10 bln yen
Pictures	Sales	903.1	1,020	**1,020**	-
	Operating income	-80.5	39	**39**	-
Music	Sales	647.7	630	**630**	-
	Operating income	75.8	75	**75**	-
Financial Services	Revenue	1,087.5	1,170	**1,170**	-
	Operating income	166.4	170	**170**	-
All Other, Corporate and elimination	Operating income	-116.7	-197	**-229**	−32 bln yen
Consolidated total	Sales	7,603.3	8,000	**8,300**	+3.8%
	Operating income	288.7	500	**500**	-

Segment Forecast FX Rate Assumption (Q2-Q4 FY17)

1 US dollar	112 yen
1 Euro	128 yen

Consolidated Forecast FX Rate Assumption (Q2-Q4 FY17)

1 US dollar	110 yen
1 Euro	120 yen

An approximate -40 billion yen impact on consolidated operating income resulting from the difference between the two FX rate assumptions above has been included in the forecast for All Other, Corporate and elimination.

This -40 billion yen impact includes the impact of emerging market currencies.

Finally, I will again show the forecast by segment. This concludes my explanation.


SONY

Cautionary Statement

Statements made in this presentation with respect to Sony's current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of Sony. Forward-looking statements include, but are not limited to, those statements using words such as "believe," "expect," "plans," "strategy," "prospects," "forecast," "estimate," "project," "anticipate," "aim," "intend," "seek," "may," "might," "could" or "should," and words of similar meaning in connection with a discussion of future operations, financial performance, events or conditions. From time to time, oral or written forward-looking statements may also be included in other materials released to the public. These statements are based on management's assumptions, judgments and beliefs in light of the information currently available to it. Sony cautions investors that a number of important risks and uncertainties could cause actual results to differ materially from those discussed in the forward-looking statements, and therefore investors should not place undue reliance on them. Investors also should not rely on any obligation of Sony to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Sony disclaims any such obligation. Risks and uncertainties that might affect Sony include, but are not limited to:

(i) the global economic and political environment in which Sony operates and the economic and political conditions in Sony's markets, particularly levels of consumer spending;
(ii) foreign exchange rates, particularly between the yen and the U.S. dollar, the euro and other currencies in which Sony makes significant sales and incurs production costs, or in which Sony's assets and liabilities are denominated;
(iii) Sony's ability to continue to design and develop and win acceptance of, as well as achieve sufficient cost reductions for, its products and services, including image sensors, game and network platforms, smartphones and televisions, which are offered in highly competitive markets characterized by severe price competition and continual new product and service introductions, rapid development in technology and subjective and changing customer preferences;
(iv) Sony's ability and timing to recoup large-scale investments required for technology development and production capacity;
(v) Sony's ability to implement successful business restructuring and transformation efforts under changing market and regulatory conditions;
(vi) changes in laws, regulations and government policies in the markets in which Sony operates, including those related to taxation and corporate social responsibility;
(vii) Sony's ability to implement successful hardware, software, and content integration strategies, and to develop and implement successful sales and distribution strategies in light of new technologies and distribution platforms;
(viii) Sony's continued ability to devote sufficient resources to research and development and, with respect to capital expenditures, to prioritize investments correctly (particularly in the electronics businesses);
(ix) Sony's ability to maintain product quality and customer satisfaction with its products and services;
(x) the effectiveness of Sony's strategies and their execution, including but not limited to the success of Sony's acquisitions, joint ventures and other strategic investments;
(xi) significant volatility and disruption in the global financial markets or a ratings downgrade;
(xii) Sony's ability to forecast demands, manage timely procurement and control inventories;
(xiii) Sony's reliance on external business partners, including for the procurement of parts, components, software and network services for its products or services, the manufacturing, supply and distribution of its products, and its other business operations;
(xiv) the outcome of pending and/or future legal and/or regulatory proceedings;
(xv) shifts in customer demand for financial services such as life insurance and Sony's ability to conduct successful asset liability management in the Financial Services segment;
(xvi) the impact of changes in interest rates and unfavorable conditions or developments (including market fluctuations or volatility) in the Japanese equity markets on the revenue and operating income of the Financial Services segment;
(xvii) the ability of Sony, its third-party service providers or business partners to anticipate and manage cybersecurity risk, including the risk of unauthorized access to Sony's business information, potential business disruptions or financial losses; and
(xviii) risks related to catastrophic disasters or similar events.

Risks and uncertainties also include the impact of any future events with material adverse impact.