Quarterly Financial Statements
for the Third Quarter Ended December 31, 2023
And
Outlook for the Fiscal Year Ending March 31, 2024

February 14, 2024
Sony Group Corporation

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All financial information is presented on the basis of International Financial Reporting Standards ("IFRS").

Sony Group Corporation and its consolidated subsidiaries are together referred to as "Sony" or "Sony Group".

Sony has adopted IFRS 17 "Insurance Contracts" ("IFRS 17") starting in the three months ended June 30, 2023. Figures for the three and nine months ended December 31, 2022 and for the fiscal year ended March 31, 2023, as well as the condensed consolidated statement of financial position as of April 1, 2022, are restated in accordance with IFRS 17. Please refer to "Notes to Condensed Consolidated Financial Statements - Accounting Policy and Other Information (Changes in accounting policies)" on page F-20 for more details.

(Unaudited)

Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Financial Position

	Yen in millions			
	April 1, 2022 Restated	**March 31, 2023 Restated**	**December 31, 2023**	**Change from March 31, 2023**
ASSETS				
Current assets:				
Cash and cash equivalents	2,049,636	1,480,900	2,019,112	538,212
Investments and advances in the Financial Services segment	360,681	328,358	455,427	127,069
Trade and other receivables, and contract assets	1,621,629	1,770,948	2,410,040	639,092
Inventories	874,007	1,468,042	1,629,886	161,844
Other financial assets	149,301	110,950	132,235	21,285
Other current assets	428,522	563,334	722,214	158,880
Total current assets	5,483,776	5,722,532	7,368,914	1,646,382
Non-current assets:				
Investments accounted for using the equity method	268,513	325,220	406,024	80,804
Investments and advances in the Financial Services segment	18,251,612	18,237,761	18,370,584	132,823
Property, plant and equipment	1,113,213	1,344,864	1,491,920	147,056
Right-of-use assets	413,430	478,063	470,230	(7,833)
Goodwill	952,895	1,275,112	1,394,865	119,753
Content assets	1,342,046	1,561,882	1,807,713	245,831
Other intangible assets	450,103	563,842	586,812	22,970
Deferred tax assets	300,924	393,107	462,062	68,955
Other financial assets	696,306	832,344	825,313	(7,031)
Other non-current assets	379,137	419,368	459,188	39,820
Total non-current assets	24,168,179	25,431,563	26,274,711	843,148
Total assets	29,651,955	31,154,095	33,643,625	2,489,530

(Continued on the following page.)

Condensed Consolidated Statements of Financial Position (Continued)

	Yen in millions			
	April 1, 2022 Restated	March 31, 2023 Restated	December 31, 2023	Change from March 31, 2023
LIABILITIES				
Current liabilities:				
Short-term borrowings	1,976,553	1,914,934	2,374,858	459,924
Current portion of long-term debt	171,409	187,942	190,671	2,729
Trade and other payables	1,843,338	1,866,101	2,244,832	378,731
Deposits from customers in the banking business	2,886,361	3,163,237	3,561,499	398,262
Income taxes payables	105,437	154,543	134,521	(20,022)
Participation and residual liabilities in the Pictures segment	190,162	230,223	233,435	3,212
Other financial liabilities	127,079	108,049	112,429	4,380
Other current liabilities	1,465,326	1,693,380	1,834,500	141,120
Total current liabilities	8,765,665	9,318,409	10,686,745	1,368,336
Non-current liabilities:				
Long-term debt	1,203,646	1,767,696	1,840,067	72,371
Defined benefit liabilities	254,548	236,121	243,108	6,987
Deferred tax liabilities	120,582	117,621	133,762	16,141
Insurance contract liabilities	13,042,875	12,364,973	12,571,220	206,247
Participation and residual liabilities in the Pictures segment	220,113	192,952	184,953	(7,999)
Other financial liabilities	231,463	371,580	371,758	178
Other non-current liabilities	106,481	127,593	143,299	15,706
Total non-current liabilities	15,179,708	15,178,536	15,488,167	309,631
Total liabilities	23,945,373	24,496,945	26,174,912	1,677,967
EQUITY				
Sony Group Corporation's stockholders' equity:				
Common stock	880,365	880,365	881,357	992
Additional paid-in capital	1,461,053	1,463,807	1,482,460	18,653
Retained earnings	4,170,417	5,092,442	5,775,372	682,930
Accumulated other comprehensive income	(677,989)	(614,570)	(548,960)	65,610
Treasury stock, at cost	(180,042)	(223,507)	(282,064)	(58,557)
Equity attributable to Sony Group Corporation's stockholders	5,653,804	6,598,537	7,308,165	709,628
Noncontrolling interests	52,778	58,613	160,548	101,935
Total equity	5,706,582	6,657,150	7,468,713	811,563
Total liabilities and equity	29,651,955	31,154,095	33,643,625	2,489,530

Condensed Consolidated Statements of Income

	Yen in millions		
	Three months ended December 31		
	2022 Restated	2023	Change
Sales and financial services revenue:			
Sales	3,056,183	3,438,092	381,909
Financial services revenue			
Insurance revenue	138,463	146,801	8,338
Other financial services revenue	(116,342)	162,634	278,976
Total financial services revenue	22,121	309,435	287,314
Total sales and financial services revenue	3,078,304	3,747,527	669,223
Costs and expenses:			
Cost of sales	2,161,904	2,504,410	342,506
Selling, general and administrative	529,188	554,712	25,524
Financial services expenses			
Insurance service expenses	93,721	99,375	5,654
Insurance finance expenses (income)	(148,675)	89,750	238,425
Other financial services expenses	29,424	42,954	13,530
Total financial services expenses	(25,530)	232,079	257,609
Other operating (income) expense, net	(1,484)	(3,691)	(2,207)
Total costs and expenses	2,664,078	3,287,510	623,432
Share of profit (loss) of investments accounted for using the equity method	7,355	3,321	(4,034)
Operating income	421,581	463,338	41,757
Financial income	6,943	33,959	27,016
Financial expenses	37,101	38,742	1,641
Income before income taxes	391,423	458,555	67,132
Income taxes	68,205	91,184	22,979
Net income	323,218	367,371	44,153
Net income attributable to			
Sony Group Corporation's stockholders	321,521	363,918	42,397
Noncontrolling interests	1,697	3,453	1,756

	Yen		
	Three months ended December 31		
	2022 Restated	2023	Change
Per share data:			
Net income attributable to Sony Group Corporation's stockholders			
- Basic	260.28	295.67	35.39
- Diluted	259.62	294.82	35.20

Condensed Consolidated Statements of Comprehensive Income

	Yen in millions		
	Three months ended December 31		
	2022 Restated	2023	Change
Net income	323,218	367,371	44,153
Other comprehensive income, net of tax -			
Items that will not be reclassified to profit or loss			
Changes in equity instruments measured at fair value through other comprehensive income	5,988	(15,272)	(21,260)
Remeasurement of defined benefit pension plans	10	(578)	(588)
Share of other comprehensive income of investments accounted for using the equity method	(141)	(127)	14
Items that may be reclassified subsequently to profit or loss			
Changes in debt instruments measured at fair value through other comprehensive income	(264,054)	173,013	437,067
Cash flow hedges	10,128	3,825	(6,303)
Insurance finance income (expenses)	265,802	(104,893)	(370,695)
Exchange differences on translating foreign operations	(223,403)	(155,748)	67,655
Share of other comprehensive income of investments accounted for using the equity method	(1,649)	(1,868)	(219)
Other	(259)	136	395
Total other comprehensive income, net of tax	(207,578)	(101,512)	106,066
Comprehensive income	115,640	265,859	150,219
Comprehensive income attributable to			
Sony Group Corporation’s stockholders	116,677	262,765	146,088
Noncontrolling interests	(1,037)	3,094	4,131

Condensed Consolidated Statements of Income

	Yen in millions		
	Nine months ended December 31		
	2022 Restated	2023	Change
Sales and financial services revenue:			
Sales	7,523,263	8,449,647	926,384
Financial services revenue			
Insurance revenue	411,376	433,228	21,852
Other financial services revenue	(1,111)	656,927	658,038
Total financial services revenue	410,265	1,090,155	679,890
Total sales and financial services revenue	7,933,528	9,539,802	1,606,274
Costs and expenses:			
Cost of sales	5,241,857	6,096,395	854,538
Selling, general and administrative	1,418,411	1,548,380	129,969
Financial services expenses			
Insurance service expenses	284,609	291,961	7,352
Insurance finance expenses (income)	(197,508)	528,075	725,583
Other financial services expenses	61,150	122,319	61,169
Total financial services expenses	148,251	942,355	794,104
Other operating (income) expense, net	(12,278)	(15,813)	(3,535)
Total costs and expenses	6,796,241	8,571,317	1,775,076
Share of profit (loss) of investments accounted for using the equity method	18,562	10,904	(7,658)
Operating income	1,155,849	979,389	(176,460)
Financial income	19,862	65,737	45,875
Financial expenses	63,893	52,942	(10,951)
Income before income taxes	1,111,818	992,184	(119,634)
Income taxes	242,007	205,715	(36,292)
Net income	869,811	786,469	(83,342)
Net income attributable to			
Sony Group Corporation's stockholders	864,296	781,568	(82,728)
Noncontrolling interests	5,515	4,901	(614)

	Yen		
	Nine months ended December 31		
	2022 Restated	2023	Change
Per share data:			
Net income attributable to Sony Group Corporation's stockholders			
- Basic	699.17	633.94	(65.23)
- Diluted	695.64	631.93	(63.71)

Condensed Consolidated Statements of Comprehensive Income

	Yen in millions		
	Nine months ended December 31		
	2022 Restated	2023	Change
Net income	869,811	786,469	(83,342)
Other comprehensive income, net of tax -			
Items that will not be reclassified to profit or loss			
Changes in equity instruments measured at fair value through other comprehensive income	(9,520)	(33,276)	(23,756)
Remeasurement of defined benefit pension plans	39	(1,030)	(1,069)
Share of other comprehensive income of investments accounted for using the equity method	131	190	59
Items that may be reclassified subsequently to profit or loss			
Changes in debt instruments measured at fair value through other comprehensive income	(1,190,706)	(522,959)	667,747
Cash flow hedges	17,719	3,523	(14,196)
Insurance finance income (expenses)	1,056,526	411,886	(644,640)
Exchange differences on translating foreign operations	140,581	207,677	67,096
Share of other comprehensive income of investments accounted for using the equity method	2,792	2,270	(522)
Other	(397)	(206)	191
Total other comprehensive income, net of tax	17,165	68,075	50,910
Comprehensive income	886,976	854,544	(32,432)
Comprehensive income attributable to			
Sony Group Corporation’s stockholders	879,522	847,369	(32,153)
Noncontrolling interests	7,454	7,175	(279)

Condensed Consolidated Statements of Changes in Stockholders' Equity

	Yen in millions							
	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income	Treasury stock, at cost	Sony Group Corporation's stockholders' equity	Noncontrolling interests	Total equity
Balance at April 1, 2022	880,365	1,461,053	3,760,763	1,222,332	(180,042)	7,144,471	52,778	7,197,249
Cumulative effects of the application of new accounting standards	-	-	409,654	(1,900,321)	-	(1,490,667)	-	(1,490,667)
Restated balance at April 1, 2022	880,365	1,461,053	4,170,417	(677,989)	(180,042)	5,653,804	52,778	5,706,582
Comprehensive income (restated):								
Net income			864,296			864,296	5,515	869,811
Other comprehensive income, net of tax				15,226		15,226	1,939	17,165
Total comprehensive income (restated)			864,296	15,226		879,522	7,454	886,976
Transfer to retained earnings			(52)	52		-		-
Transactions with stockholders and other:								
Exercise of stock acquisition rights		(6)	(859)		5,696	4,831		4,831
Conversion of convertible bonds		(2,588)	(13,858)		42,993	26,547		26,547
Stock-based compensation		7,413				7,413		7,413
Dividends declared			(86,635)			(86,635)	(5,470)	(92,105)
Purchase of treasury stock					(91,307)	(91,307)		(91,307)
Reissuance of treasury stock		1,234			2,400	3,634		3,634
Transactions with noncontrolling interests shareholders and other		(8,898)				(8,898)	2,295	(6,603)
Restated balance at December 31, 2022	880,365	1,458,208	4,933,309	(662,711)	(220,260)	6,388,911	57,057	6,445,968

	Yen in millions							
	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income	Treasury stock, at cost	Sony Group Corporation's stockholders' equity	Noncontrolling interests	Total equity
Balance at April 1, 2023	880,365	1,463,807	5,092,442	(614,570)	(223,507)	6,598,537	58,613	6,657,150
Comprehensive income:								
Net income			781,568			781,568	4,901	786,469
Other comprehensive income, net of tax				65,801		65,801	2,274	68,075
Total comprehensive income			781,568	65,801		847,369	7,175	854,544
Transfer to retained earnings			191	(191)		-		-
Transactions with stockholders and other:								
Exercise of stock acquisition rights and other	992	(1,533)	(144)		12,858	12,173		12,173
Stock-based compensation		9,472				9,472		9,472
Dividends declared			(98,685)			(98,685)	(4,866)	(103,551)
Purchase of treasury stock					(74,705)	(74,705)		(74,705)
Reissuance of treasury stock		1,786			3,290	5,076		5,076
Transactions with noncontrolling interests shareholders and other		8,928				8,928	99,626	108,554
Balance at December 31, 2023	881,357	1,482,460	5,775,372	(548,960)	(282,064)	7,308,165	160,548	7,468,713

Condensed Consolidated Statements of Cash Flows

	Yen in millions	
	Nine months ended December 31	
	2022 Restated	2023
Cash flows from operating activities:		
Income before income taxes	1,111,818	992,184
Adjustments to reconcile income before income taxes to net cash provided by (used in) operating activities:		
Depreciation and amortization, including amortization of contract costs	735,642	852,030
Other operating (income) expense, net	(12,278)	(15,813)
(Gain) loss on securities, net (other than Financial Services segment)	27,154	(31,340)
Share of profit of investments accounted for using the equity method, net of dividends	(12,166)	(3,032)
Changes in assets and liabilities:		
Increase in trade receivables and contract assets	(276,956)	(592,206)
Increase in inventories	(572,541)	(88,517)
Increase in investments and advances in the Financial Services segment	(660,389)	(988,372)
Increase in content assets	(477,898)	(358,830)
Increase in trade payables	65,799	252,967
Increase (decrease) in insurance contract liabilities, net of insurance contract assets	(48,342)	789,883
Increase in deposits from customers in the banking business	194,976	419,223
Increase in borrowings in the life insurance business and the banking business	100,670	72,995
Decrease in taxes payable other than income taxes, net	(34,912)	(16,593)
Increase in other financial assets and other current assets	(37,164)	(67,033)
Increase in other financial liabilities and other current liabilities	101,294	12,806
Income taxes paid	(183,097)	(251,431)
Other	(103,233)	(46,963)
Net cash provided by (used in) operating activities	(81,623)	931,958

(Continued on the following page.)

Condensed Consolidated Statements of Cash Flows (Continued)

	Yen in millions	
	Nine months ended December 31	
	2022 Restated	2023
Cash flows from investing activities:		
Payments for property, plant and equipment and other intangible assets	(434,748)	(450,017)
Proceeds from sales of property, plant and equipment and other intangible assets	9,474	10,838
Payments for investments and advances (other than Financial Services segment)	(185,577)	(75,072)
Proceeds from sales or return of investments and collections of advances (other than Financial Services segment)	11,740	80,476
Payments for purchases of businesses and other	(280,447)	(170,925)
Proceeds from sales of businesses	1,221	-
Other	20,814	(15,253)
Net cash used in investing activities	(857,523)	(619,953)
Cash flows from financing activities:		
Increase in short-term borrowings, net	27,765	402,152
Proceeds from issuance of long-term debt	348,565	63,660
Payments of long-term debt	(106,328)	(99,311)
Dividends paid	(86,383)	(98,424)
Payments for purchases of treasury stock	(91,307)	(74,705)
Other	7,036	8,821
Net cash provided by financing activities	99,348	202,193
Effect of exchange rate changes on cash and cash equivalents	78,142	24,014
Net increase (decrease) in cash and cash equivalents	(761,656)	538,212
Cash and cash equivalents at beginning of the fiscal year	2,049,636	1,480,900
Cash and cash equivalents at end of the period	1,287,980	2,019,112

Notes to Condensed Consolidated Financial Statements

Business Segment Information

(Business Segments)

Segment sales and financial services revenue

	Yen in millions		
	Three months ended December 31		
	2022 Restated	2023	Change
Sales and financial services revenue:			
Game & Network Services -			
Customers	1,211,617	1,428,886	217,269
Intersegment	34,932	15,541	(19,391)
Total	1,246,549	1,444,427	197,878
Music -			
Customers	360,643	417,651	57,008
Intersegment	3,104	4,453	1,349
Total	363,747	422,104	58,357
Pictures -			
Customers	330,925	365,133	34,208
Intersegment	612	1,194	582
Total	331,537	366,327	34,790
Entertainment, Technology & Services -			
Customers	742,480	725,563	(16,917)
Intersegment	10,343	10,175	(168)
Total	752,823	735,738	(17,085)
Imaging & Sensing Solutions -			
Customers	386,400	477,513	91,113
Intersegment	30,751	27,645	(3,106)
Total	417,151	505,158	88,007
Financial Services -			
Customers	22,121	309,435	287,314
Intersegment	2,301	2,308	7
Total	24,422	311,743	287,321
All Other -			
Customers	19,648	20,192	544
Intersegment	5,412	3,703	(1,709)
Total	25,060	23,895	(1,165)
Corporate and elimination	(82,985)	(61,865)	21,120
Consolidated total	3,078,304	3,747,527	669,223

Game & Network Services (“G&NS”) intersegment amounts primarily consist of transactions with the Entertainment, Technology & Services (“ET&S”) segment. ET&S intersegment amounts primarily consist of transactions with the G&NS segment. Imaging & Sensing Solutions (“I&SS”) intersegment amounts primarily consist of transactions with the G&NS segment and the ET&S segment. Corporate and elimination includes certain brand and patent royalty income.

Segment profit (loss)

	Yen in millions		
	Three months ended December 31		
	2022 Restated	2023	Change
Operating income (loss):			
Game & Network Services	116,248	86,139	(30,109)
Music	62,961	76,086	13,125
Pictures	25,445	41,626	16,181
Entertainment, Technology & Services	81,094	77,164	(3,930)
Imaging & Sensing Solutions	84,851	99,715	14,864
Financial Services	47,107	77,274	30,167
All Other	9,062	2,596	(6,466)
Total	426,768	460,600	33,832
Corporate and elimination	(5,187)	2,738	7,925
Consolidated operating income	421,581	463,338	41,757

Operating income (loss) is sales and financial services revenue less costs and expenses, and includes the share of profit (loss) of investments accounted for using the equity method.

(Business Segments)

Segment sales and financial services revenue

	Yen in millions		
	Nine months ended December 31		
	2022 Restated	2023	Change
Sales and financial services revenue:			
Game & Network Services -			
Customers	2,502,796	3,114,026	611,230
Intersegment	68,604	56,377	(12,227)
Total	2,571,400	3,170,403	599,003
Music -			
Customers	1,022,924	1,172,767	149,843
Intersegment	8,212	16,282	8,070
Total	1,031,136	1,189,049	157,913
Pictures -			
Customers	1,007,752	1,082,658	74,906
Intersegment	2,630	3,671	1,041
Total	1,010,382	1,086,329	75,947
Entertainment, Technology & Services -			
Customers	1,953,118	1,892,069	(61,049)
Intersegment	29,060	28,992	(68)
Total	1,982,178	1,921,061	(61,117)
Imaging & Sensing Solutions -			
Customers	975,203	1,122,646	147,443
Intersegment	78,156	81,568	3,412
Total	1,053,359	1,204,214	150,855
Financial Services -			
Customers	410,265	1,090,155	679,890
Intersegment	8,242	6,914	(1,328)
Total	418,507	1,097,069	678,562
All Other -			
Customers	52,848	57,012	4,164
Intersegment	12,278	10,601	(1,677)
Total	65,126	67,613	2,487
Corporate and elimination	(198,560)	(195,936)	2,624
Consolidated total	7,933,528	9,539,802	1,606,274

G&NS intersegment amounts primarily consist of transactions with the ET&S segment. ET&S intersegment amounts primarily consist of transactions with the G&NS segment. I&SS intersegment amounts primarily consist of transactions with the G&NS segment and the ET&S segment. Corporate and elimination includes certain brand and patent royalty income.

Segment profit (loss)

	Yen in millions		
	Nine months ended December 31		
	2022 Restated	2023	Change
Operating income (loss):			
Game & Network Services	211,142	184,201	(26,941)
Music	202,667	230,463	27,796
Pictures	103,720	87,035	(16,685)
Entertainment, Technology & Services	212,502	193,843	(18,659)
Imaging & Sensing Solutions	180,527	158,807	(21,720)
Financial Services	266,304	147,469	(118,835)
All Other	16,775	7,140	(9,635)
Total	1,193,637	1,008,958	(184,679)
Corporate and elimination	(37,788)	(29,569)	8,219
Consolidated operating income	1,155,849	979,389	(176,460)

Operating income (loss) is sales and financial services revenue less costs and expenses, and includes the share of profit (loss) of investments accounted for using the equity method.

(Sales to Customers by Product Category)

The following table is a breakdown of sales and financial services revenue to external customers by product category for each segment. Sony management views each segment as a single operating segment.

	Yen in millions		
	Three months ended December 31		
Sales and financial services revenue:	2022 Restated	2023	Change
Game & Network Services			
Digital Software and Add-on Content	508,102	631,981	123,879
Network Services	122,201	137,182	14,981
Hardware and Others	581,314	659,723	78,409
Total	1,211,617	1,428,886	217,269
Music			
Recorded Music - Streaming	159,147	186,520	27,373
Recorded Music - Others	79,901	100,021	20,120
Music Publishing	74,161	86,084	11,923
Visual Media and Platform	47,434	45,026	(2,408)
Total	360,643	417,651	57,008
Pictures			
Motion Pictures	113,087	130,441	17,354
Television Productions	123,508	130,844	7,336
Media Networks	94,330	103,848	9,518
Total	330,925	365,133	34,208
Entertainment, Technology & Services			
Televisions	250,192	210,967	(39,225)
Audio and Video	122,605	133,823	11,218
Still and Video Cameras	171,146	188,609	17,463
Mobile Communications	93,302	76,508	(16,794)
Other	105,235	115,656	10,421
Total	742,480	725,563	(16,917)
Imaging & Sensing Solutions	386,400	477,513	91,113
Financial Services	22,121	309,435	287,314
All Other	19,648	20,192	544
Corporate	4,470	3,154	(1,316)
Consolidated total	3,078,304	3,747,527	669,223

Sales and financial services revenue:	Yen in millions		
	Nine months ended December 31		
	2022 Restated	2023	Change
Game & Network Services			
Digital Software and Add-on Content	1,126,806	1,420,423	293,617
Network Services	345,730	395,568	49,838
Hardware and Others	1,030,260	1,298,035	267,775
Total	2,502,796	3,114,026	611,230
Music			
Recorded Music - Streaming	450,188	525,265	75,077
Recorded Music - Others	212,387	252,787	40,400
Music Publishing	210,707	243,948	33,241
Visual Media and Platform	149,642	150,767	1,125
Total	1,022,924	1,172,767	149,843
Pictures			
Motion Pictures	360,003	385,154	25,151
Television Productions	377,255	408,460	31,205
Media Networks	270,494	289,044	18,550
Total	1,007,752	1,082,658	74,906
Entertainment, Technology & Services			
Televisions	618,736	507,951	(110,785)
Audio and Video	313,552	332,072	18,520
Still and Video Cameras	458,711	509,686	50,975
Mobile Communications	285,559	236,644	(48,915)
Other	276,560	305,716	29,156
Total	1,953,118	1,892,069	(61,049)
Imaging & Sensing Solutions	975,203	1,122,646	147,443
Financial Services	410,265	1,090,155	679,890
All Other	52,848	57,012	4,164
Corporate	8,622	8,469	(153)
Consolidated total	7,933,528	9,539,802	1,606,274

In the G&NS segment, Digital Software and Add-on Content includes distribution of software titles and add-on content through the network; Network Services includes network services relating to game, video and music content; Hardware and Others includes home gaming consoles, packaged software, game software sold bundled with home gaming consoles, peripheral devices and first-party software for third-party platforms. In the Music segment, Recorded Music - Streaming includes the distribution of digital recorded music by streaming; Recorded Music - Others includes the distribution of recorded music by physical media and digital download as well as revenue derived from artists' live performances; Music Publishing includes the management and licensing of the words and music of songs; Visual Media and Platform includes the production and distribution of animation titles and game applications, and various service offerings for music and visual products. In the Pictures segment, Motion Pictures includes the worldwide production, acquisition and distribution of live-action and animated motion pictures; Television Productions includes the production, acquisition and distribution of television programming; Media Networks includes the operation of television networks and direct-to-consumer streaming services worldwide. In the ET&S segment, Televisions includes LCD and OLED televisions; Audio and Video includes Blu-ray disc players and recorders, home audio, headphones and memory-based portable audio devices; Still and Video Cameras includes interchangeable lens cameras, compact digital cameras, consumer video cameras and video cameras for broadcast; Mobile Communications includes smartphones and an internet-related service business; Other includes display products such as projectors and medical equipment.

(Condensed Financial Services Financial Statements)

The following schedules show unaudited condensed financial statements for the Financial Services segment and all other segments excluding Financial Services. These presentations are not in accordance with IFRS, which is used by Sony to prepare its condensed consolidated financial statements. However, because the Financial Services segment is different in nature from Sony's other segments, Sony believes that a comparative presentation may be useful in understanding and analyzing Sony's condensed consolidated financial statements. Both financial statements include transactions between the Financial Services segment and Sony without the Financial Services segment. The figures shown in the respective presentations for the Financial Services segment and Sony without the Financial Services segment are prior to the elimination and/or offset of such transactions and deferred tax assets and deferred tax liabilities of each. The condensed consolidated financial statements column is presented net of the elimination and/or offset of such intercompany balances and deferred tax assets and liabilities.

Condensed Statements of Financial Position

	Yen in millions								
	Financial Services			Sony without Financial Services			Consolidated		
	April 1, 2022 Restated	March 31, 2023 Restated	**December 31, 2023**	April 1, 2022 Restated	March 31, 2023 Restated	**December 31, 2023**	April 1, 2022 Restated	March 31, 2023 Restated	**December 31, 2023**
ASSETS									
Current assets:									
Cash and cash equivalents	¥ 889,140	¥ 756,493	**¥ 1,042,647**	¥ 1,160,496	¥ 724,407	**¥ 976,465**	¥ 2,049,636	¥ 1,480,900	**¥ 2,019,112**
Investments and advances in the Financial Services segment	360,681	328,358	**455,427**	-	-	**-**	360,681	328,358	**455,427**
Trade and other receivables, and contract assets	163,037	127,413	**140,581**	1,478,620	1,668,257	**2,290,386**	1,621,629	1,770,948	**2,410,040**
Inventories	-	-	**-**	874,007	1,468,042	**1,629,886**	874,007	1,468,042	**1,629,886**
Other financial assets	81,174	47,044	**57,829**	68,124	63,906	**74,405**	149,301	110,950	**132,235**
Other current assets	27,893	16,029	**77,412**	450,953	562,442	**655,724**	428,522	563,334	**722,214**
Total current assets	1,521,925	1,275,337	**1,773,896**	4,032,200	4,487,054	**5,626,866**	5,483,776	5,722,532	**7,368,914**
Non-current assets:									
Investments accounted for using the equity method	-	-	**-**	268,513	325,220	**406,024**	268,513	325,220	**406,024**
Investments and advances in the Financial Services segment	18,251,612	18,237,761	**18,370,584**	-	-	**-**	18,251,612	18,237,761	**18,370,584**
Investments in Financial Services, at cost	-	-	**-**	550,483	550,483	**550,483**	-	-	**-**
Property, plant and equipment	18,010	15,316	**14,321**	1,095,241	1,329,219	**1,477,272**	1,113,213	1,344,864	**1,491,920**
Right-of-use assets	73,774	84,023	**78,420**	339,658	395,210	**392,941**	413,430	478,063	**470,230**
Goodwill and intangible assets, including content assets	72,578	78,197	**73,670**	2,672,466	3,322,639	**3,715,720**	2,745,044	3,400,836	**3,789,390**
Deferred tax assets	2,335	2,687	**-**	332,330	431,533	**488,288**	300,924	393,107	**462,062**
Other financial assets	37,037	46,941	**61,311**	663,233	789,470	**768,154**	696,306	832,344	**825,313**
Other non-current assets	167,744	172,565	**166,290**	284,834	319,306	**364,857**	379,137	419,368	**459,188**
Total non-current assets	18,623,090	18,637,490	**18,764,596**	6,206,758	7,463,080	**8,163,739**	24,168,179	25,431,563	**26,274,711**
Total assets	¥ 20,145,015	¥ 19,912,827	**¥ 20,538,492**	¥ 10,238,958	¥ 11,950,134	**¥ 13,790,605**	¥ 29,651,955	¥ 31,154,095	**¥ 33,643,625**
LIABILITIES AND EQUITY									
Current liabilities:									
Short-term borrowings	¥ 1,964,776	¥ 1,891,856	**¥ 1,929,741**	¥ 183,187	¥ 211,020	**¥ 635,788**	¥ 2,147,962	¥ 2,102,876	**¥ 2,565,529**
Trade and other payables	119,017	77,703	**40,905**	1,744,011	1,812,670	**2,205,379**	1,843,338	1,866,101	**2,244,832**
Deposits from customers in the banking business	2,886,361	3,163,237	**3,561,499**	-	-	**-**	2,886,361	3,163,237	**3,561,499**
Income taxes payables	3,789	15,213	**2,922**	101,648	139,330	**131,599**	105,437	154,543	**134,521**
Participation and residual liabilities in the Pictures segment	-	-	**-**	190,162	230,223	**233,435**	190,162	230,223	**233,435**
Other financial liabilities	98,029	77,605	**78,051**	29,050	30,444	**34,378**	127,079	108,049	**112,429**
Other current liabilities	218,865	194,174	**242,393**	1,297,115	1,514,792	**1,622,515**	1,465,326	1,693,380	**1,834,500**
Total current liabilities	5,290,837	5,419,788	**5,855,511**	3,545,173	3,938,479	**4,863,094**	8,765,665	9,318,409	**10,686,745**
Non-current liabilities:									
Long-term debt	470,498	663,353	**692,552**	733,148	1,104,344	**1,147,515**	1,203,646	1,767,696	**1,840,067**
Defined benefit liabilities	37,167	37,183	**37,896**	217,381	198,938	**205,212**	254,548	236,121	**243,108**
Deferred tax liabilities	58,666	60,554	**42,156**	110,715	112,938	**132,589**	120,582	117,621	**133,762**
Insurance contract liabilities	13,042,875	12,364,973	**12,571,220**	-	-	**-**	13,042,875	12,364,973	**12,571,220**
Participation and residual liabilities in the Pictures segment	-	-	**-**	220,113	192,952	**184,953**	220,113	192,952	**184,953**
Other financial liabilities	147,712	175,026	**205,036**	86,391	199,327	**169,618**	231,463	371,580	**371,758**
Other non-current liabilities	5,864	7,225	**7,551**	121,558	142,096	**156,835**	106,481	127,593	**143,299**
Total non-current liabilities	13,762,782	13,308,314	**13,556,411**	1,489,306	1,950,595	**1,996,722**	15,179,708	15,178,536	**15,488,167**
Total liabilities	19,053,619	18,728,102	**19,411,922**	5,034,479	5,889,074	**6,859,816**	23,945,373	24,496,945	**26,174,912**
Equity:									
Stockholders' equity of Financial Services	1,087,948	1,180,905	**1,124,448**	-	-	**-**	-	-	**-**
Stockholders' equity of Sony without Financial Services	-	-	**-**	5,155,149	6,006,267	**6,772,363**	-	-	**-**
Sony Group Corporation's stockholders' equity	-	-	**-**	-	-	**-**	5,653,804	6,598,537	**7,308,165**
Noncontrolling interests	3,448	3,820	**2,122**	49,330	54,793	**158,426**	52,778	58,613	**160,548**
Total equity	1,091,396	1,184,725	**1,126,570**	5,204,479	6,061,060	**6,930,789**	5,706,582	6,657,150	**7,468,713**
Total liabilities and equity	¥ 20,145,015	¥ 19,912,827	**¥ 20,538,492**	¥ 10,238,958	¥ 11,950,134	**¥ 13,790,605**	¥ 29,651,955	¥ 31,154,095	**¥ 33,643,625**

Condensed Statements of Income

Yen in millions

	Three months ended December 31					
	Financial Services		Sony without Financial Services		Consolidated	
	2022 Restated	**2023**	2022 Restated	**2023**	2022 Restated	**2023**
Sales	¥ -	**¥ -**	¥ 3,057,441	**¥ 3,439,360**	¥ 3,056,183	**¥ 3,438,092**
Financial services revenue	24,422	**311,743**	-	**-**	22,121	**309,435**
Total sales and financial services revenue	24,422	**311,743**	3,057,441	**3,439,360**	3,078,304	**3,747,527**
Cost of sales	-	**-**	2,164,926	**2,508,021**	2,161,904	**2,504,410**
Selling, general and administrative	-	**-**	527,428	**552,365**	529,188	**554,712**
Financial services expenses	(23,229)	**234,387**	-	**-**	(25,530)	**232,079**
Other operating (income) expense, net	544	**82**	(2,027)	**(3,773)**	(1,484)	**(3,691)**
Total costs and expenses	(22,685)	**234,469**	2,690,327	**3,056,613**	2,664,078	**3,287,510**
Share of profit (loss) of investments accounted for using the equity method	-	**-**	7,355	**3,321**	7,355	**3,321**
Operating income	47,107	**77,274**	374,469	**386,068**	421,581	**463,338**
Financial income (expenses), net	-	**-**	(30,159)	**(4,784)**	(30,158)	**(4,783)**
Income before income taxes	47,107	**77,274**	344,310	**381,284**	391,423	**458,555**
Income taxes	12,450	**22,121**	55,756	**69,063**	68,205	**91,184**
Net income	34,657	**55,153**	288,554	**312,221**	323,218	**367,371**
Net income of Financial Services	¥ 34,644	**¥ 54,999**	¥ -	**¥ -**	¥ -	**¥ -**
Net income of Sony without Financial Services	¥ -	**¥ -**	¥ 286,870	**¥ 308,923**	¥ -	**¥ -**
Net income attributable to Sony Group Corporation's stockholders	¥ -	**¥ -**	¥ -	**¥ -**	¥ 321,521	**¥ 363,918**
Net income attributable to noncontrolling interests	¥ 13	**¥ 154**	¥ 1,684	**¥ 3,298**	¥ 1,697	**¥ 3,453**

Condensed Statements of Income

Yen in millions

	Nine months ended December 31					
	Financial Services		Sony without Financial Services		Consolidated	
	2022 Restated	**2023**	2022 Restated	**2023**	2022 Restated	**2023**
Sales	¥ -	**¥ -**	¥ 7,527,631	**¥ 8,454,056**	¥ 7,523,263	**¥ 8,449,647**
Financial services revenue	418,507	**1,097,069**	-	**-**	410,265	**1,090,155**
Total sales and financial services revenue	418,507	**1,097,069**	7,527,631	**8,454,056**	7,933,528	**9,539,802**
Cost of sales	-	**-**	5,250,787	**6,106,427**	5,241,857	**6,096,395**
Selling, general and administrative	-	**-**	1,412,507	**1,542,744**	1,418,411	**1,548,380**
Financial services expenses	156,493	**949,269**	-	**-**	148,251	**942,355**
Other operating (income) expense, net	(4,290)	**331**	(5,681)	**(16,144)**	(12,278)	**(15,813)**
Total costs and expenses	152,203	**949,600**	6,657,613	**7,633,027**	6,796,241	**8,571,317**
Share of profit (loss) of investments accounted for using the equity method	-	**-**	18,562	**10,904**	18,562	**10,904**
Operating income	266,304	**147,469**	888,580	**831,933**	1,155,849	**979,389**
Financial income (expenses), net	-	**-**	(2,699)	**62,828**	(44,031)	**12,795**
Income before income taxes	266,304	**147,469**	885,881	**894,761**	1,111,818	**992,184**
Income taxes	73,547	**42,875**	168,162	**162,840**	242,007	**205,715**
Net income	192,757	**104,594**	717,719	**731,921**	869,811	**786,469**
Net income of Financial Services	¥ 192,523	**¥ 104,143**	¥ -	**¥ -**	¥ -	**¥ -**
Net income of Sony without Financial Services	¥ -	**¥ -**	¥ 712,438	**¥ 727,471**	¥ -	**¥ -**
Net income attributable to Sony Group Corporation's stockholders	¥ -	**¥ -**	¥ -	**¥ -**	¥ 864,296	**¥ 781,568**
Net income attributable to noncontrolling interests	¥ 234	**¥ 451**	¥ 5,281	**¥ 4,450**	¥ 5,515	**¥ 4,901**

Condensed Statements of Cash Flows

	Yen in millions					
	Nine months ended December 31					
	Financial Services		Sony without Financial Services		Consolidated	
	2022 Restated	**2023**	2022	**2023**	2022 Restated	**2023**
Cash flows from operating activities:						
Income (loss) before income taxes	¥ 266,304	**¥ 147,469**	¥ 885,881	**¥ 894,761**	¥ 1,111,818	**¥ 992,184**
Adjustments to reconcile income (loss) before income taxes to net cash provided by (used in) operating activities:						
Depreciation and amortization, including amortization of contract costs	19,583	**20,926**	716,059	**831,104**	735,642	**852,030**
Other operating (income) expense, net	(4,290)	**331**	(5,681)	**(16,144)**	(12,278)	**(15,813)**
(Gain) loss on securities, net (other than Financial Services segment)	-	**-**	27,154	**(31,340)**	27,154	**(31,340)**
Changes in assets and liabilities:						
(Increase) decrease in trade receivables and contract assets	15,421	**(38,263)**	(298,206)	**(550,147)**	(276,956)	**(592,206)**
(Increase) decrease in inventories	-	**-**	(572,541)	**(88,517)**	(572,541)	**(88,517)**
(Increase) decrease in investments and advances in the Financial Services segment	(660,389)	**(988,372)**	-	**-**	(660,389)	**(988,372)**
(Increase) decrease in content assets	-	**-**	(477,898)	**(358,830)**	(477,898)	**(358,830)**
Increase (decrease) in trade payables	(43,868)	**7,637**	115,280	**241,635**	65,799	**252,967**
Increase (decrease) in insurance contract liabilities, net of insurance contract assets	(48,342)	**789,883**	-	**-**	(48,342)	**789,883**
Increase (decrease) in deposits from customers in the banking business	194,976	**419,223**	-	**-**	194,976	**419,223**
Increase (decrease) in borrowings in the life insurance business and the banking business	100,670	**72,995**	-	**-**	100,670	**72,995**
Increase (decrease) in taxes payable other than income taxes, net	830	**782**	(35,742)	**(17,375)**	(34,912)	**(16,593)**
Other	(68,068)	**(69,134)**	(164,643)	**(286,665)**	(234,366)	**(355,653)**
Net cash provided by (used in) operating activities	(227,173)	**363,477**	189,663	**618,482**	(81,623)	**931,958**
Cash flows from investing activities:						
Payments for property, plant and equipment and other intangible assets	(19,642)	**(13,281)**	(415,597)	**(436,772)**	(434,748)	**(450,017)**
Payments for investments and advances (other than Financial Services segment)	-	**-**	(185,577)	**(75,072)**	(185,577)	**(75,072)**
Proceeds from sales or return of investments and collections of advances (other than Financial Services segment)	-	**-**	11,740	**80,476**	11,740	**80,476**
Other	416	**(3,603)**	(251,640)	**(171,737)**	(248,938)	**(175,340)**
Net cash provided by (used in) investing activities	(19,226)	**(16,884)**	(841,074)	**(603,105)**	(857,523)	**(619,953)**
Cash flows from financing activities:						
Increase (decrease) in borrowings, net	(8,514)	**(8,609)**	278,516	**375,110**	270,002	**366,501**
Dividends paid	(41,335)	**(50,037)**	(86,384)	**(98,424)**	(86,383)	**(98,424)**
Other	(3)	**(1,793)**	(84,268)	**(64,019)**	(84,271)	**(65,884)**
Net cash provided by (used in) financing activities	(49,852)	**(60,439)**	107,864	**212,667**	99,348	**202,193**
Effect of exchange rate changes on cash and cash equivalents	-	**-**	78,142	**24,014**	78,142	**24,014**
Net increase (decrease) in cash and cash equivalents	(296,251)	**286,154**	(465,405)	**252,058**	(761,656)	**538,212**
Cash and cash equivalents at beginning of the fiscal year	889,140	**756,493**	1,160,496	**724,407**	2,049,636	**1,480,900**
Cash and cash equivalents at end of the period	¥ 592,889	**¥ 1,042,647**	¥ 695,091	**¥ 976,465**	¥ 1,287,980	**¥ 2,019,112**

Going Concern Assumption

Not Applicable

Accounting Policy and Other Information

(Changes in accounting policies)

Sony newly adopted the following accounting standards and interpretations from the fiscal year ending March 31, 2024:

IFRS 17 “Insurance Contracts”

The IASB issued IFRS 17 “Insurance Contracts” (“IFRS 17”) in May 2017 and Amendments to IFRS 17 in June 2020 and December 2021. IFRS 17 replaces IFRS 4 “Insurance Contracts” and sets out principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of IFRS 17. IFRS 17 provides a general model, supplemented by a specific approach for contracts with direct participation features (the variable fee approach), and a simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 was effective for Sony as of April 1, 2023. Sony has retrospectively applied changes in accounting policies resulting from the adoption of IFRS 17 unless it was impracticable. Sony applied the modified retrospective approach, which uses reasonable and supportable information, or the fair value approach, which uses the fair value as of April 1, 2022, the transition date for IFRS 17, to identify, recognize and measure certain groups of insurance contracts as of the transition date for IFRS 17, for which it was impracticable to apply the full retrospective approach. Therefore, Sony has restated the condensed consolidated financial statements for comparative periods and the condensed consolidated statement of financial position as of April 1, 2022 on the basis of the retrospective application of IFRS 17. The effects of the retrospective application of IFRS 17 on Sony’s total equity as of April 1, 2022 are presented in the condensed consolidated statements of changes in stockholders’ equity.

(Net Income Attributable to Sony Group Corporation's Stockholders and Weighted-average Number of Outstanding Shares Used for the Computation of EPS of Common Stock)

	Yen in millions	
	Three months ended December 31	
	2022 Restated	2023
Net income attributable to Sony Group Corporation's stockholders for basic and diluted EPS computation	321,521	**363,918**

	Thousands of shares	
	Three months ended December 31	
	2022	2023
Weighted-average shares outstanding for basic EPS computation	1,235,285	**1,230,805**
Effect of dilutive securities:		
Stock options and other	3,128	**3,553**
Weighted-average shares for diluted EPS computation	1,238,413	**1,234,358**

	Yen in millions	
	Nine months ended December 31	
	2022 Restated	2023
Net income attributable to Sony Group Corporation's stockholders	864,296	**781,568**
Adjustment amount to net income attributable to Sony Group Corporation's stockholders for diluted EPS computation		
Zero coupon convertible bonds	51	**-**
Net income attributable to Sony Group Corporation's stockholders for diluted EPS computation	864,347	**781,568**

	Thousands of shares	
	Nine months ended December 31	
	2022	2023
Weighted-average shares outstanding for basic EPS computation	1,236,176	**1,232,879**
Effect of dilutive securities:		
Stock options and other	3,632	**3,922**
Zero coupon convertible bonds	2,706	**-**
Weighted-average shares for diluted EPS computation	1,242,514	**1,236,801**

(Segmentation)

The G&NS segment includes the network services businesses, the manufacture and sales of home gaming products and the production and sales of software. The Music segment includes the Recorded Music, Music Publishing and Visual Media and Platform businesses. The Pictures segment includes the Motion Pictures, Television Productions and Media Networks businesses. The ET&S segment includes the Televisions business, the Audio and Video business, the Still and Video Cameras business, the smartphone business and the internet-related service business. The I&SS segment includes the image sensors business. The Financial Services segment primarily represents individual life insurance and non-life insurance businesses in the Japanese market and the banking business in Japan. All Other consists of various operating activities, including the disc manufacturing and recording media businesses. Sony's products and services are generally unique to a single operating segment.

(Change in presentation)

Condensed Consolidated Statements of Cash Flows

Certain reclassifications of the condensed consolidated statements of cash flows for the nine months ended December 31, 2022 have been made to conform to the presentation for the nine months ended December 31, 2023.

Subsequent Events

Transfer of a portion of shares of Sony Payment Services Inc.

On January 31, 2024, Sony Bank Inc. ("Sony Bank"), a wholly-owned subsidiary of Sony, transferred a portion of its shares of Sony Payment Services Inc. ("Sony Payment Services"), a consolidated subsidiary of Sony Bank, to a special purpose company established by private equity funds which are managed by Blackstone Inc. and its affiliates. Upon the transfer, Sony Payment Services became an affiliate of Sony accounted for using the equity method and Sony expects to record a total of approximately 20 billion yen as operating income for the fiscal year ending March 31, 2024, reflecting both a realized gain for the shares transferred and a remeasurement gain based on the fair value of the shares Sony will continue to hold after the transfer. The amounts of assets and liabilities of Sony Payment Services to be derecognized as a result of the transfer are not material.

Commencement of Preparations for Partial Spin-off of Financial Services Business

On February 14, 2024, Sony Group Corporation decided to begin concrete preparations for the execution of a partial spin-off (the "Spin-off") of Sony Financial Group Inc. ("SFGI"), its wholly-owned subsidiary, which operates the Financial Services business, and the listing of the shares of SFGI.

The impact of the execution of the Spin-off on Sony's results of operations and financial positions has not been determined at this time. However, prior to the execution of the Spin-off, the Financial Services business will be presented separately as a discontinued operation in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations." And upon the execution of the Spin-off, Sony will apply accounting for the loss of control of the Financial Services business in accordance with IFRS 10 "Consolidated Financial Statements."

Results for Adjusted OIBDA and Adjusted EBITDA for the Three and Nine Months Ended December 31, 2023

Sony has established three-year cumulative Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) as the most important financial performance indicator (Group KPI) in the Fourth Mid-Range Plan for the three fiscal years starting on April 1, 2021 and ending on March 31, 2024. Starting in the three months ended June 30, 2023, Sony has disclosed the actual results for Adjusted EBITDA on a consolidated basis, which is the Group KPI, and Adjusted OIBDA (Operating Income Before Depreciation and Amortization) by segment.

The actual results for Segment Adjusted OIBDA and Consolidated Adjusted EBITDA for the three and nine months ended December 31, 2023 are as follows:

Adjusted OIBDA and Adjusted EBITDA are not measures in accordance with IFRS. However, Sony believes that these disclosures may be useful information to investors. Please refer to "Supplemental Information" on pages 5 to 11 for more details, including the formulas and reconciliations for Adjusted OIBDA and Adjusted EBITDA (the same applies below).

Three months ended December 31, 2023

(Yen in billions)

	Three months ended December 31	
	2022 Restated	**2023**
Segment Adjusted OIBDA		
Game & Network Services (G&NS)	139.9	**113.1**
Music	78.6	**98.5**
Pictures	38.2	**54.6**
Entertainment, Technology & Services (ET&S)	105.3	**103.4**
Imaging & Sensing Solutions (I&SS)	134.7	**163.7**
Financial Services	53.8	**84.3**
All Other, Corporate and elimination	11.0	**10.6**
Consolidated Adjusted OIBDA	561.5	**628.3**
Consolidated Adjusted EBITDA*	529.5	**605.0**

Nine months ended December 31, 2023

(Yen in billions)

	Nine months ended December 31	
	2022 Restated	**2023**
Segment Adjusted OIBDA		
Game & Network Services (G&NS)	274.3	**272.1**
Music	240.9	**278.5**
Pictures	140.5	**125.6**
Entertainment, Technology & Services (ET&S)	284.8	**271.8**
Imaging & Sensing Solutions (I&SS)	324.2	**340.9**
Financial Services	263.8	**168.4**
All Other, Corporate and elimination	(0.9)	**(7.0)**
Consolidated Adjusted OIBDA	1,527.5	**1,450.3**
Consolidated Adjusted EBITDA*	1,513.5	**1,437.6**

* The differences between Adjusted EBITDA and Adjusted OIBDA on a consolidated basis represent financial income and financial expenses (excluding interest expenses, net, and gains on revaluation of equity instruments, net) (the same applies below). Adjusted EBITDA by segment is not calculated and disclosed because Sony does not include financial income and financial expenses in its performance evaluations by segment, mainly due to the fact that Sony manages its foreign exchange exposure centrally and globally, except for the Financial Services segment.

Outlook for the Fiscal Year Ending March 31, 2024

The forecast for consolidated results for the fiscal year ending March 31, 2024, as announced on November 9, 2023, has been revised as follows:

As the results for the fiscal year ended March 31, 2023 are restated in accordance with IFRS 17, they differ from those disclosed in the earnings release for the fiscal year ended March 31, 2023.

(Yen in billions)

	March 31, 2023 Results Restated	November Forecast	**February Forecast**	Change from November Forecast	
Sales *[1]	10,974.4	12,400	**12,300**	-100 bil	-0.8%
Operating income	1,302.4	1,170	**1,180**	+10 bil	+0.9%
Income before income taxes	1,274.5	1,160	**1,190**	+30 bil	+2.6%
Net income attributable to Sony Group Corporation's stockholders	1,005.3	880	**920**	+40 bil	+4.5%
Adjusted OIBDA	1,816.9	1,785	**1,785**	-	-
Adjusted EBITDA	1,797.6	1,785	**1,770**	-15 bil	-0.8%

For all segments excluding the Financial Services segment *[2]	March 31, 2023 Results	November Forecast	**February Forecast**	Change from August Forecast	
Net cash provided by operating activities	415.5	1,160	**1,080**	-80 bil	-6.9%

*[1] *"Sales and Financial Services revenue" are shown as "Sales" (the same applies below).*
[2] Cash flow for all segments excluding the Financial Services segment is not a measure in accordance with IFRS. However, Sony believes that this disclosure may be useful information to investors. Please refer to page F-16 for details about the preparation of the Condensed Statements of Cash Flows.

Assumed foreign exchange rates are the following:

	Assumed foreign exchange rates for the three months ending March 31, 2024	(For your reference) Assumed foreign exchange rates for the fiscal year ending March 31, 2024 at the time of the November forecast
1 U.S. dollar	**approximately 142 yen**	approximately 142 yen
1 Euro	**approximately 153 yen**	approximately 152 yen

Sales are expected to be lower than the November forecast mainly due to lower-than-expected sales in the Game & Network Services segment, partially offset mainly by higher-than-expected sales in the Financial Services segment.

Operating income is expected to be higher than the November forecast due to an expected increase in operating income in the Financial Services segment, partially offset by an expected increase in the operating loss in All Other, Corporate and elimination.

Both income before income taxes and net income attributable to Sony Group Corporation's stockholders are expected to be higher than the November forecast mainly due to the above-mentioned expected increase in operating income as well as an expected increase in financial income, net, primarily resulting from the recording of unrealized gains on securities.

Adjusted OIBDA is expected to remain unchanged from the November forecast due to an expected increase in Adjusted OIBDA in the Music segment, substantially offset by an expected increase in Adjusted OIBDA loss in All Other, Corporate and elimination. Adjusted EBITDA is expected to be lower than the November forecast mainly due to an expected increase in net foreign exchange losses recorded within financial expenses, net.

The forecast for each business segment for the fiscal year ending March 31, 2024 has been revised as follows:

As the results for the fiscal year ended March 31, 2023 are restated in accordance with IFRS 17, they differ from those disclosed in the earnings release for the fiscal year ended March 31, 2023.
Please refer to "Supplemental Information" on pages 5 to 11 for details of the reconciliation of Adjusted OIBDA from operating income in accordance with IFRS for the fiscal year ended March 31, 2023.

(Yen in billions)

	March 31, 2023 Results Restated	November Forecast	**February Forecast**
Game & Network Services (G&NS)			
Sales	3,644.6	4,360	**4,150**
Operating income	250.0	270	**270**
Adjusted OIBDA	337.0	385	**385**
Music			
Sales	1,380.6	1,560	**1,570**
Operating income	263.1	295	**295**
Adjusted OIBDA	316.4	350	**360**
Pictures			
Sales	1,369.4	1,460	**1,470**
Operating income	119.3	115	**115**
Adjusted OIBDA	168.2	165	**165**
Entertainment, Technology & Services (ET&S)			
Sales	2,476.0	2,440	**2,430**
Operating income	179.5	180	**180**
Adjusted OIBDA	276.9	280	**280**
Imaging & Sensing Solutions (I&SS)			
Sales	1,402.2	1,590	**1,590**
Operating income	212.2	195	**195**
Adjusted OIBDA	408.9	440	**440**
Financial Services			
Financial services revenue	889.1	1,210	**1,300**
Operating income	318.1	155	**175**
Adjusted OIBDA	322.4	180	**180**
All Other, Corporate and elimination			
Operating loss	(39.8)	(40)	**(50)**
Adjusted OIBDA	(12.9)	(15)	**(25)**
Consolidated			
Sales	10,974.4	12,400	**12,300**
Operating income	1,302.4	1,170	**1,180**
Adjusted OIBDA	1,816.9	1,785	**1,785**
Adjusted EBITDA	1,797.6	1,785	**1,770**

Game & Network Services (G&NS)
Sales are expected to be lower than the November forecast, mainly due to an expected decrease in sales of hardware resulting from lower unit sales, partially offset by the impact of foreign exchange rates and an expected increase in sales of non-first-party titles including add-on content. Operating income and Adjusted OIBDA are expected to remain unchanged from the November forecast mainly due to the impact of the above-mentioned increase in sales of non-first-party titles, substantially offset by an expected increase in losses from hardware mainly due to promotions.

Music
Sales are expected to be higher than the November forecast primarily due to the impact of foreign exchange rates. Operating income is expected to remain unchanged from the November forecast primarily due to an improvement in profitability, substantially offset by an increase in depreciation and amortization expenses. Adjusted OIBDA is expected to be higher than the November forecast, mainly due to the same factors affecting operating income, excluding the above-mentioned increase in depreciation and amortization expenses.

Pictures
Sales are expected to be higher than the November forecast, primarily due to the impact of foreign exchange rates. Operating income and Adjusted OIBDA are expected to remain unchanged from the November forecast.

Entertainment, Technology & Services (ET&S)
Sales are expected to be lower than the November forecast due to an expected decrease in sales of televisions resulting from lower unit sales, partially offset by the impact of foreign exchange rates. Operating income and Adjusted OIBDA are expected to remain unchanged from the November forecast mainly due to the impact of the above-mentioned lower unit sales of televisions, substantially offset by expected reductions in operating expenses.

Imaging & Sensing Solutions (I&SS)
Sales are expected to remain unchanged from the November forecast mainly due to the impact of foreign exchange rates, substantially offset by an expected decrease in sales in businesses other than image sensors. Operating income and Adjusted OIBDA are expected to remain unchanged from the November forecast mainly due to the positive impact of foreign exchange rates, substantially offset by an increase in costs and the impact of the above-mentioned expected decrease in sales.

Financial Services
Financial services revenue is expected to be higher than the November forecast primarily due to an increase in net gains on investment in the separate accounts at Sony Life Insurance Co., Ltd. (“Sony Life”). Operating income is expected to be higher than the November forecast mainly due to the expected recording of a gain from the transfer of a portion of shares of Sony Payment Services Inc. in the three months ending March 31, 2024. Adjusted OIBDA is expected to remain unchanged from the November forecast.

The effects of future gains and losses on investments held by the Financial Services segment due to market fluctuations have not been incorporated within the above forecast as it is difficult for Sony to predict market trends in the future. Accordingly, future market fluctuations could further impact the above forecast.

The above forecast is based on management's current expectations and is subject to uncertainties and changes in circumstances. Actual results may differ materially from those included in this forecast due to a variety of factors. See "Cautionary Statement" below.

Notes about Financial Performance of the Music, Pictures and Financial Services segments

The Music segment results include the yen-based results of Sony Music Entertainment (Japan) Inc. and the yen-translated results of Sony Music Entertainment and Sony Music Publishing LLC, which aggregate the results of their worldwide subsidiaries on a U.S. dollar basis.

The Pictures segment results are the yen-translated results of Sony Pictures Entertainment Inc., which aggregates the results of its worldwide subsidiaries on a U.S. dollar basis.

The Financial Services segment results include Sony Financial Group Inc. ("SFGI") and SFGI's consolidated subsidiaries such as Sony Life, Sony Assurance Inc. and Sony Bank Inc. The results discussed in the Financial Services segment differ from the results that SFGI and SFGI's consolidated subsidiaries disclose separately on a Japanese statutory basis.

Supplemental Information

Regarding Adjusted OIBDA and Adjusted EBITDA

Sony believes that Adjusted OIBDA and Adjusted EBITDA are performance metrics suitable for the long-term management that Sony prioritizes. This is because (i) they represent the sustainable earnings power of the business as they do not include the effects of one-time gains and losses, (ii) they enable management to confirm that all the businesses of the Sony Group, including the Financial Services business, are expanding over the mid- to long-term through cycles of investment and return, and (iii) they are often used to calculate corporate value. Adjusted OIBDA and Adjusted EBITDA are not measures in accordance with IFRS. However, Sony believes that these disclosures may be useful information to investors. Adjusted OIBDA and Adjusted EBITDA should be considered in addition to, not as a substitute for, Sony's results in accordance with IFRS.

Adjusted OIBDA (Operating Income Before Depreciation and Amortization) is calculated by the following formula:

Adjusted OIBDA = Operating income + Depreciation and amortization expense excluding amortization for film costs and broadcasting rights, as well as for internally developed game content and master recordings included in Content assets - the profit and loss amount that Sony deems non-recurring

Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is calculated by the following formula:

Adjusted EBITDA = Net income attributable to Sony Group Corporation's stockholders + Net income attributable to noncontrolling interests + Income taxes + Interest expenses, net, recorded in Financial income and Financial expense - Gain on revaluation of equity instruments, net, recorded in Financial income and Financial expense + Depreciation and amortization expense excluding amortization for film costs and broadcasting rights, as well as for internally developed game content and master recordings included in Content assets - the profit and loss amount that Sony deems non-recurring

The following table shows a reconciliation of Adjusted OIBDA from operating income in accordance with IFRS for the three months ended December 31, 2022 and 2023, respectively.

As the results for the three months ended December 31, 2022 are restated in accordance with IFRS 17, they differ from those disclosed in the earnings release for the third quarter of the fiscal year ended March 31, 2023.

(Yen in billions)

	Three months ended December 31	
	2022 Restated	**2023**
Game & Network Services (G&NS)		
Operating income	116.2	**86.1**
Depreciation and amortization expense*	23.7	**27.0**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted OIBDA	139.9	**113.1**
Music		
Operating income	63.0	**76.1**
Depreciation and amortization expense*	15.7	**22.4**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted OIBDA	78.6	**98.5**
Pictures		
Operating income	25.4	**41.6**
Depreciation and amortization expense*	12.8	**12.9**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted OIBDA	38.2	**54.6**
Entertainment, Technology & Services (ET&S)		
Operating income	81.1	**77.2**
Depreciation and amortization expense*	24.2	**26.2**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted OIBDA	105.3	**103.4**
Imaging & Sensing Solutions (I&SS)		
Operating income	84.9	**99.7**
Depreciation and amortization expense*	49.8	**64.0**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted OIBDA	134.7	**163.7**
Financial Services		
Operating income	47.1	**77.3**
Depreciation and amortization expense*	6.7	**7.0**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted OIBDA	53.8	**84.3**
All Other, Corporate and elimination		
Operating loss	3.9	**5.3**
Depreciation and amortization expense*	7.1	**5.3**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted OIBDA	11.0	**10.6**
Consolidated		
Operating income	421.6	**463.3**
Depreciation and amortization expense*	139.9	**164.9**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted OIBDA	561.5	**628.3**

The following table shows a reconciliation of net income attributable to Sony Group Corporation's stockholders reported in accordance with IFRS to Adjusted EBITDA for the three months ended December 31, 2022 and 2023, respectively.

As the results for the three months ended December 31, 2022 are restated in accordance with IFRS 17, they differ from those disclosed in the earnings release for the third quarter of the fiscal year ended March 31, 2023.

(Yen in billions)

	Three months ended December 31	
	2022 Restated	**2023**
Net income attributable to Sony Group Corporation's stockholders	321.5	**363.9**
Net income attributable to noncontrolling interests	1.7	**3.5**
Income taxes	68.2	**91.2**
Interest expenses, net, recorded in Financial income and Financial expense	0.5	**2.1**
(Gain) / loss on revaluation of equity instruments, net, recorded in Financial income and Financial expense	(2.3)	**(20.6)**
Depreciation and amortization expense*	139.9	**164.9**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted EBITDA	529.5	**605.0**

* Depreciation and amortization expense excludes amortization for film costs and broadcasting rights, as well as for internally developed game content and master recordings included in Content assets.
** There were no items which Sony deemed non-recurring in calculating Adjusted OIBDA and Adjusted EBITDA for the three months ended December 31, 2022 and 2023, respectively.

The following table shows a reconciliation of Adjusted OIBDA from operating income in accordance with IFRS for the nine months ended December 31, 2022 and 2023, respectively.

As the results for the nine months ended December 31, 2022 are restated in accordance with IFRS 17, they differ from those disclosed in the earnings release for the third quarter of the fiscal year ended March 31, 2023.

(Yen in billions)

	Nine months ended December 31	
	2022 Restated	**2023**
Game & Network Services (G&NS)		
Operating income	211.1	**184.2**
Depreciation and amortization expense*	63.2	**87.9**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted OIBDA	274.3	**272.1**
Music		
Operating income	202.7	**230.5**
Depreciation and amortization expense*	43.9	**54.1**
(Profit) / loss amount that Sony deems non-recurring**	(5.7)	**(6.0)**
Adjusted OIBDA	240.9	**278.5**
Pictures		
Operating income	103.7	**87.0**
Depreciation and amortization expense*	36.7	**38.5**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted OIBDA	140.5	**125.6**
Entertainment, Technology & Services (ET&S)		
Operating income	212.5	**193.8**
Depreciation and amortization expense*	72.3	**78.0**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted OIBDA	284.8	**271.8**
Imaging & Sensing Solutions (I&SS)		
Operating income	180.5	**158.8**
Depreciation and amortization expense*	143.6	**182.1**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted OIBDA	324.2	**340.9**
Financial Services		
Operating income	266.3	**147.5**
Depreciation and amortization expense*	19.6	**20.9**
(Profit) / loss amount that Sony deems non-recurring**	(22.1)	**-**
Adjusted OIBDA	263.8	**168.4**
All Other, Corporate and elimination		
Operating loss	(21.0)	**(22.4)**
Depreciation and amortization expense*	20.1	**15.5**
(Profit) / loss amount that Sony deems non-recurring**	-	**-**
Adjusted OIBDA	(0.9)	**(7.0)**
Consolidated		
Operating income	1,155.8	**979.4**
Depreciation and amortization expense*	399.4	**476.9**
(Profit) / loss amount that Sony deems non-recurring**	(27.8)	**(6.0)**
Adjusted OIBDA	1,527.5	**1,450.3**

The following table shows a reconciliation of net income attributable to Sony Group Corporation's stockholders reported in accordance with IFRS to Adjusted EBITDA for the nine months ended December 31, 2022 and 2023, respectively.

As the results for the nine months ended December 31, 2022 are restated in accordance with IFRS 17, they differ from those disclosed in the earnings release for the third quarter of the fiscal year ended March 31, 2023.

(Yen in billions)

	Nine months ended December 31	
	2022 Restated	**2023**
Net income attributable to Sony Group Corporation's stockholders	864.3	**781.6**
Net income attributable to noncontrolling interests	5.5	**4.9**
Income taxes	242.0	**205.7**
Interest expenses, net, recorded in Financial income and Financial expense	2.7	**4.7**
(Gain) / loss on revaluation of equity instruments, net, recorded in Financial income and Financial expense	27.4	**(30.2)**
Depreciation and amortization expense*	399.4	**476.9**
(Profit) / loss amount that Sony deems non-recurring**	(27.8)	**(6.0)**
Adjusted EBITDA	1,513.5	**1,437.6**

* Depreciation and amortization expense excludes amortization for film costs and broadcasting rights, as well as for internally developed game content and master recordings included in Content assets.
** The following table shows the details of the profit and loss amount that Sony deems non-recurring in calculating Adjusted OIBDA and Adjusted EBITDA for the nine months ended December 31, 2022 and 2023, respectively.

(Yen in billions)

	Nine months ended December 31	
	2022 Restated	**2023**
(Profit) / loss amount that Sony deems non-recurring		
Impact of litigation settlements, net of expenses, received in relation to lawsuits for Recorded Music and Music Publishing (Music segment)	(5.7)	**-**
Recovery of an unauthorized withdrawal of funds at a subsidiary of Sony Life which occurred in the three months ended June 30, 2021 (Financial Services segment)	(22.1)	**-**
Remeasurement gain resulting from the consolidation of a company previously accounted for using the equity method (Music segment)	**-**	**(6.0)**
Total	(27.8)	**(6.0)**

The following table shows a reconciliation of Adjusted OIBDA from operating income in accordance with IFRS for the fiscal year ended March 31, 2023.

As the results for the fiscal year ended March 31, 2023 are restated in accordance with IFRS 17, they differ from those disclosed in the earnings release for the fiscal year ended March 31, 2023.

	(Yen in billions) Fiscal year ended March 31, 2023 Restated
Game & Network Services (G&NS)	
Operating income	250.0
Depreciation and amortization expense*	87.0
(Profit) / loss amount that Sony deems non-recurring**	-
Adjusted OIBDA	337.0
Music	
Operating income	263.1
Depreciation and amortization expense*	59.0
(Profit) / loss amount that Sony deems non-recurring**	(5.7)
Adjusted OIBDA	316.4
Pictures	
Operating income	119.3
Depreciation and amortization expense*	48.9
(Profit) / loss amount that Sony deems non-recurring**	-
Adjusted OIBDA	168.2
Entertainment, Technology & Services (ET&S)	
Operating income	179.5
Depreciation and amortization expense*	97.4
(Profit) / loss amount that Sony deems non-recurring**	-
Adjusted OIBDA	276.9
Imaging & Sensing Solutions (I&SS)	
Operating income	212.2
Depreciation and amortization expense*	196.7
(Profit) / loss amount that Sony deems non-recurring**	-
Adjusted OIBDA	408.9
Financial Services	
Operating income	318.1
Depreciation and amortization expense*	26.3
(Profit) / loss amount that Sony deems non-recurring**	(22.1)
Adjusted OIBDA	322.4
All Other, Corporate and elimination	
Operating loss	(39.8)
Depreciation and amortization expense*	26.8
(Profit) / loss amount that Sony deems non-recurring**	-
Adjusted OIBDA	(12.9)
Consolidated	
Operating income	1,302.4
Depreciation and amortization expense*	542.2
(Profit) / loss amount that Sony deems non-recurring**	(27.8)
Adjusted OIBDA	1,816.9

The following table shows a reconciliation of Adjusted EBITDA from net income attributable to Sony Group Corporation's stockholders in accordance with IFRS for the fiscal year ended March 31, 2023.

As the results for the fiscal year ended March 31, 2023 are restated in accordance with IFRS 17, they differ from those disclosed in the earnings release for the fiscal year ended March 31, 2023.

	(Yen in billions) Fiscal year ended March 31, 2023 Restated
Net income attributable to Sony Group Corporation's stockholders	1,005.3
Net income attributable to noncontrolling interests	6.5
Income taxes	262.7
Interest expenses, net, recorded in Financial income and Financial expense	4.0
(Gain) / loss on revaluation of equity instruments, net, recorded in Financial income and Financial expense	4.6
Depreciation and amortization expense*	542.2
(Profit) / loss amount that Sony deems non-recurring**	(27.8)
Adjusted EBITDA	1,797.6

* Depreciation and amortization expense excludes amortization for film costs and broadcasting rights, as well as for internally developed game content and master recordings included in Content assets.
** The following table shows the details of the profit and loss amount that Sony deems non-recurring in calculating Adjusted OIBDA and Adjusted EBITDA for the fiscal year ended March 31, 2023.

	(Yen in billions) Fiscal year ended March 31, 2023 Restated
(Profit) / loss amount that Sony deems non-recurring	
Impact of litigation settlements, net of expenses, received in relation to lawsuits for Recorded Music and Music Publishing (Music segment)	(5.7)
Recovery of an unauthorized withdrawal of funds at a subsidiary of Sony Life which occurred in the three months ended June 30, 2021 (Financial Services segment)	(22.1)
Total	(27.8)

Cautionary Statement

Statements made in this release 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) Sony's ability to maintain product quality and customer satisfaction with its products and services;
(ii) 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;
(iii) 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;
(iv) the effectiveness of Sony's strategies and their execution, including but not limited to the success of Sony's acquisitions, joint ventures, investments, capital expenditures, restructurings and other strategic initiatives;
(v) changes in laws, regulations and government policies in the markets in which Sony and its third-party suppliers, service providers and business partners operate, including those related to taxation, as well as growing consumer focus on corporate social responsibility;
(vi) Sony's continued ability to identify the products, services and market trends with significant growth potential, to devote sufficient resources to research and development, to prioritize investments and capital expenditures correctly and to recoup its investments and capital expenditures, including those required for technology development and product capacity;
(vii) 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, marketing and distribution of its products, and its other business operations;
(viii) 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;
(ix) Sony's ability to meet operational and liquidity needs as a result of significant volatility and disruption in the global financial markets or a ratings downgrade;
(x) Sony's ability to forecast demands, manage timely procurement and control inventories;
(xi) 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, liabilities and operating results are denominated;
(xii) Sony's ability to recruit, retain and maintain productive relations with highly skilled personnel;
(xiii) Sony's ability to prevent unauthorized use or theft of intellectual property rights, to obtain or renew licenses relating to intellectual property rights and to defend itself against claims that its products or services infringe the intellectual property rights owned by others;
(xiv) 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;
(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) risks related to catastrophic disasters, geopolitical conflicts, pandemic disease or similar events;
(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 and the personally identifiable information of its employees and customers, potential business disruptions or financial losses; and
(xviii) the outcome of pending and/or future legal and/or regulatory proceedings.

Risks and uncertainties also include the impact of any future events with material adverse impact. The continued impact of developments relating to the situations in Ukraine and Russia and in the Middle East could heighten many of the risks and uncertainties noted above. Important information regarding risks and uncertainties is also set forth in Sony's most recent Form 20-F, which is on file with the U.S. Securities and Exchange Commission.