



Q3 FY2017 Consolidated Financial Results

(Three months ended December 31, 2017)

February 2, 2018

Sony Corporation

Q3 FY2017 Consolidated Results

(Bln Yen, Mln US dollar)

	Q3 FY16	Q3 FY17	Change	Q3 FY17 USD Amount*1
Sales & operating revenue	¥2,397.5	¥2,672.3	+274.8 bln yen (+11.5%)	\$23,649
Operating income	92.4	350.8	+258.5 bln yen (+279.8%)	3,105
Income before income taxes	66.2	343.1	+276.9 bln yen (+418.1%)	3,036
Net income attributable to Sony Corporation's stockholders	19.6	295.9	+276.3 bln yen (+1,407.3%)	2,619
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	15.24 yen	228.91 yen	+213.67 yen	2.03 USD
Restructuring charges*2	5.1	3.1	-39.2%	
Additions to long-lived assets*3	52.9	94.8	+79.4%	
Depreciation and amortization*4	78.5	88.2	+12.4%	
Research and development expenses	108.8	112.8	+3.7%	
Average rate				
1 US dollar	109.3 yen	113.0 yen		
1 Euro	117.8 yen	133.0 yen		

*1 US dollar amounts have been translated from yen, for convenience only, using the average rate listed on this slide

*2 Restructuring charges are included in operating income as operating expenses (applies to all following pages)

*3 Does not include the increase in intangible assets resulting from acquisitions (applies to all following pages)

*4 Includes amortization expenses for intangible assets and for deferred insurance acquisition costs (applies to all following pages)

Q3 FY2017 Consolidated Results: Year-on-year Change

	Year-on-year Change	Factors Contributing to Year-on-year Change (+) Better / (-) Worse
Sales & operating revenue	+274.8 bln yen +11.5 %	<ul style="list-style-type: none"> · (+) Impact of foreign exchange rates (On a constant currency basis, sales increased 7%) · (+) Significant increases in G&NS, HE&S and Financial Services segment sales
Operating income	+258.5 bln yen +279.8 %	<ul style="list-style-type: none"> · (+) Absence of impairment charge of goodwill recorded in the Pictures segment in Q3 FY16 · (+) Significant increases in operating income in the G&NS, Semiconductors, Financial Services and HE&S segments
Net effect of other income and expenses	18.4 bln yen improvement (26.1 bln yen expense → 7.7 bln yen expense)	<ul style="list-style-type: none"> · (+) Decrease in net foreign exchange losses
Income tax expense	-8.7 bln yen (Effective tax rate 56%→8%)	<ul style="list-style-type: none"> · (+) Increase in income before income taxes of Sony Corporation and its national tax filing group in Japan, and the U.S. consolidated tax filing group, both of which have established valuation allowances for deferred tax assets · (+) Recorded a tax benefit as a result of U.S. tax reform (13.8 bln yen)

· See page 26 for information about the Sales on a Constant Currency Basis and Impact of Foreign Exchange Rate Fluctuations (applies to all following pages)

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Adjusted Operating Income (Q3)

	Operating Income	Adjusted Operating Income	Adjusted Operating Income excludes the following items*1
Q3 FY16	92.4 bln yen	206.7 bln yen	<ul style="list-style-type: none"> ■ Impairment charge of goodwill recorded in the Pictures segment (-112.1 bln yen) ■ Impact*2 of the 2016 Kumamoto Earthquakes (-2.2 bln yen)
Q3 FY17	350.8 bln yen	344.1 bln yen	<ul style="list-style-type: none"> ■ Gain resulting from the sale of manufacturing equipment in the Semiconductors segment (+6.7 bln yen)
Change from FY16	+258.5 bln yen	+137.4 bln yen (+66.5%)	

*1 These monetary amounts are disclosed in the Quarterly Financial Statements (previously known as the "Quarterly Earnings Release"), the Presentation Slides (previously known as the "Handout") and the Quarterly Securities Reports for the relevant quarters

*2 Net result of physical damage and opportunity losses offset by insurance recoveries, both of which resulted from the 2016 Kumamoto Earthquakes

Adjusted operating income is not a measure in accordance with U.S. GAAP. However, Sony believes that this disclosure may be useful information to investors.

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Q1-Q3 FY2017 Consolidated Results

	Q1-Q3 FY16	Q1-Q3 FY17	Change	Q1-Q3 FY17 USD Amount*	(Bln Yen)
Sales & operating revenue	5,699.6	6,593.0	+893.3 bln yen (+15.7%)	\$59,024	
Operating income	194.3	712.7	+518.4 bln yen (+266.8%)	6,380	
Income before income taxes	163.8	690.6	+526.8 bln yen (+321.7%)	6,182	
Net income attributable to Sony Corporation's stockholders	45.6	507.6	+462.0 bln yen (+1,012.3%)	4,544	
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	35.43 yen	393.05 yen	+357.62 yen	3.52 USD	
Restructuring charges	39.4	7.1	-81.9%		
Additions to long-lived assets	188.2	238.0	+26.5%		
Depreciation and amortization	259.6	258.2	-0.5%		
Research and development expenses	325.1	323.4	-0.5%		
Average rate					
1 US dollar	106.6 yen	111.7 yen			
1 Euro	118.1 yen	128.5 yen			

* US dollar amounts have been translated from yen, for convenience only, using the average rate listed on this slide

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Adjusted Operating Income (Q1-Q3)

	Operating Income	Adjusted Operating Income	Adjusted Operating Income excludes the following items*1
Q1-Q3 FY16	194.3 bln yen	404.7 bln yen	<ul style="list-style-type: none"> ■ Impairment charge of goodwill in the Pictures segment (-112.1 bln yen) ■ Impact*2 of the 2016 Kumamoto Earthquakes (-41.6 bln yen) ■ Impairment charge related to the transfer of the battery business (-32.8 bln yen) ■ Impairment charge against long-lived assets resulting from the termination of development and manufacturing of high-functionality camera modules (-23.9 bln yen)
Q1-Q3 FY17	712.7 bln yen	668.4 bln yen	<ul style="list-style-type: none"> ■ Gain resulting from the sale of an equity interest in a manufacturing subsidiary in the camera modules business (+28.3 bln yen) ■ Insurance recoveries related to the 2016 Kumamoto Earthquakes (+9.3 bln yen) ■ Gain resulting from the sale of manufacturing equipment in the Semiconductors segment (+6.7 bln yen)
Change from FY16	+518.4 bln yen	+263.7 bln yen (+65.2%)	

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*2 Net result of physical damage and opportunity losses offset by insurance recoveries, both of which resulted from the 2016 Kumamoto Earthquakes

Adjusted operating income is not a measure in accordance with U.S. GAAP. However, Sony believes that this disclosure may be useful information to investors.

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Q3 FY2017 Results by Segment [Reclassified]

(Bln Yen)

		Q3 FY16	Q3 FY17	Change	FX Impact
Game & Network Services (G&NS)	Sales	617.7	718.0	+100.3	+41.6
	Operating income	50.0	85.4	+35.3	+12.3
Music	Sales	178.5	218.4	+39.9	+3.3
	Operating income	28.0	39.3	+11.4	
Pictures	Sales	225.2	260.3	+35.2	+9.0
	Operating income	-106.8	10.5	+117.3	
Home Entertainment & Sound (HE&S)	Sales	353.4	429.8	+76.4	+25.1
	Operating income	25.9	46.2	+20.3	+9.2
Imaging Products & Solutions (IP&S)	Sales	167.1	181.1	+14.0	+9.5
	Operating income	21.1	26.0	+4.9	+5.0
Mobile Communications (MC)	Sales	248.6	217.5	-31.1	+5.7
	Operating income	21.2	15.8	-5.4	-5.4
Semiconductors	Sales	233.9	250.9	+17.1	+7.3
	Operating income	27.2	60.6	+33.4	+4.3
Financial Services	Revenue	319.1	373.3	+54.1	
	Operating income	29.0	56.3	+27.3	
All Other	Sales	131.6	108.6	-23.1	
	Operating income	-2.0	2.3	+4.3	
Corporate and elimination	Sales	-77.7	-85.7	-8.0	
	Operating income	-1.2	8.5	+9.8	
Consolidated total	Sales	2,397.5	2,672.3	+274.8	
	Operating income	92.4	350.8	+258.5	

· Due to Sony's realignment of its business segments in Q1 FY2017, certain figures in FY16 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 further details about the impact of foreign exchange rate fluctuations on sales and operating income (loss), see Note on page 26 (applies to all following pages)

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Q1-Q3 FY2017 Results by Segment [Reclassified]

(Bln Yen)

		Q1-Q3 FY16	Q1-Q3 FY17	Change	FX Impact
Game & Network Services (G&NS)	Sales	1,268.0	1,499.2	+231.3	+79.4
	Operating income	113.1	157.8	+44.8	+13.1
Music	Sales	470.6	593.6	+122.9	+14.1
	Operating income	60.4	96.9	+36.5	
Pictures	Sales	600.6	710.1	+109.5	+33.3
	Operating income	-114.2	8.7	+122.9	
Home Entertainment & Sound (HE&S)	Sales	824.2	987.6	+163.4	+55.3
	Operating income	63.7	93.2	+29.5	+16.3
Imaging Products & Solutions (IP&S)	Sales	424.7	493.5	+68.7	+22.2
	Operating income	43.5	68.1	+24.6	+10.2
Mobile Communications (MC)	Sales	603.3	570.8	-32.5	+15.7
	Operating income	25.3	17.0	-8.4	-5.2
Semiconductors	Sales	572.0	683.6	+111.5	+26.6
	Operating income	-20.6	165.4	+185.9	+15.7
Financial Services	Revenue	812.4	955.7	+143.3	
	Operating income	111.1	139.1	+28.0	
All Other	Sales	333.8	330.6	-3.1	
	Operating income	-41.6	-6.0	+35.6	
Corporate and elimination	Sales	-209.9	-231.7	-21.8	
	Operating income	-46.4	-27.4	+19.0	
Consolidated total	Sales	5,699.6	6,593.0	+893.3	
	Operating income	194.3	712.7	+518.4	

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FY2017 Consolidated Results Forecast

(Bln Yen)

	FY16	FY17 October Forecast	FY17 February Forecast	Change from October Forecast
Sales & operating revenue	7,603.3	8,500	8,500	-
Operating income	288.7	630	720	+90 bln yen (+14.3%)
Income before income taxes	251.6	600	690	+90 bln yen (+15.0%)
Net income attributable to Sony Corporation's stockholders	73.3	380	480	+100 bln yen (+26.3%)
Restructuring charges	60.2	15	15	-
Additions to long-lived assets	272.2	330	330	-
Depreciation and amortization	327.0	355	355	-
Research and development expenses	447.5	450	450	-
Foreign exchange rates	Actual	Assumption (2H FY17)	Assumption (Q4 FY17)	Dividend per Share
1 US dollar	108.4 yen	Approx. 112 yen	Approx. 113 yen	Interim 12.50 yen
1 Euro	118.8 yen	Approx. 130 yen	Approx. 134 yen	Year-end (Planned) 12.50 yen
				Full year (Planned) 25 yen

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FY2017 Consolidated Results Forecast: Change from October Forecast

	Change from October Forecast	Factors Contributing to Change from October Forecast (+) Better / (-) Worse
Sales & operating revenue	-	<ul style="list-style-type: none"> · (+) Upward revision in sales in the Financial Services and Music segments · (-) Downward revision in sales in the G&NS, MC and Semiconductors segments
Operating income	+90 bln yen +14.3 %	<ul style="list-style-type: none"> · (+) Absence of allocations for contingencies incorporated into the October forecast for All Other, Corporate and elimination · (+) Upward revision in operating income in the Music, Semiconductors, Financial Services and HE&S segments
Net income attributable to Sony Corporation's stockholders	+100 bln yen +26.3 %	<ul style="list-style-type: none"> · (+) Higher-than-expected consolidated operating income · (+) Expected decrease in income tax expense mainly due to the recording of a tax benefit as a result of U.S. tax reform in Q3 FY2017

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FY2017 Results Forecast by Segment [Reclassified]

(Bln Yen)

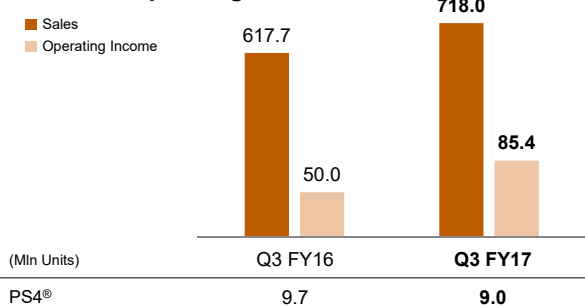
		FY16	FY17 October Forecast	FY17 February Forecast	Change from October Forecast
Game & Network Services (G&NS)	Sales	1,649.8	2,000	1,940	-60
	Operating income	135.6	180	180	-
Music	Sales	647.7	730	780	+50
	Operating income	75.8	94	110	+16
Pictures	Sales	903.1	1,020	1,020	-
	Operating income	-80.5	39	39	-
Home Entertainment & Sound (HE&S)	Sales	1,039.0	1,200	1,200	-
	Operating income	58.5	76	80	+4
Imaging Products & Solutions (IP&S)	Sales	579.6	650	650	-
	Operating income	47.3	72	72	-
Mobile Communications (MC)	Sales	759.1	780	740	-40
	Operating income	10.2	5	5	-
Semiconductors	Sales	773.1	880	850	-30
	Operating income	-7.8	150	155	+5
Financial Services	Revenue	1,087.5	1,170	1,250	+80
	Operating income	166.4	170	175	+5
All Other, Corporate and elimination	Operating Income	-116.7	-156	-96	+60
Consolidated total	Revenue	7,603.3	8,500	8,500	-
	Operating income	288.7	630	720	+90

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Game & Network Services Segment

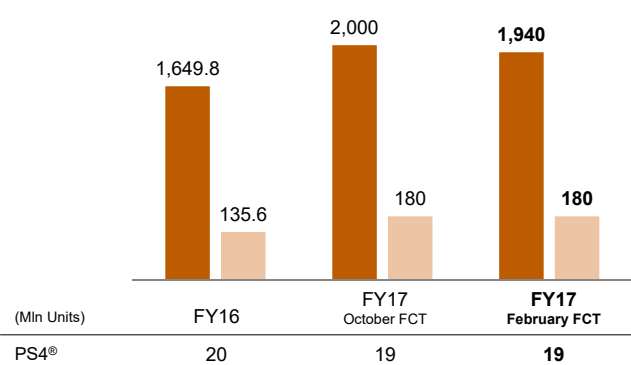
Sales and Operating Income

(Bln Yen)



Q3 FY2017 (year-on-year)

- Sales: 100.3 bln yen (16.2%) significant increase (FX Impact: +41.6 bln yen)
 - (+ Increase in PS4® software sales including sales through the network
 - (+ Impact of foreign exchange rates
- OI: 35.3 bln yen significant increase (FX Impact: +12.3 bln yen)
 - (+ Increase in sales
 - (+ Positive impact of foreign exchange rates



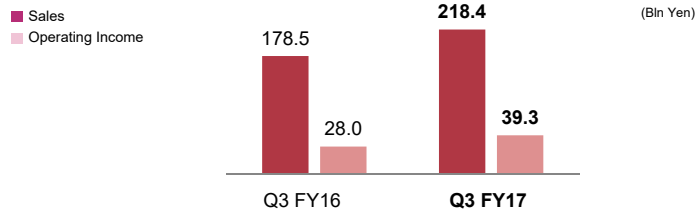
FY2017 Forecast (change from October forecast)

- Sales: 60 bln yen (3.0%) downward revision
 - (- Change in launch dates of certain software titles
 - (- Higher-than-expected sales of hardware at promotional prices during the holiday season
- OI: Remains unchanged from the October forecast
 - (- Decrease in sales
 - (+ Reduction in selling, general and administrative expenses

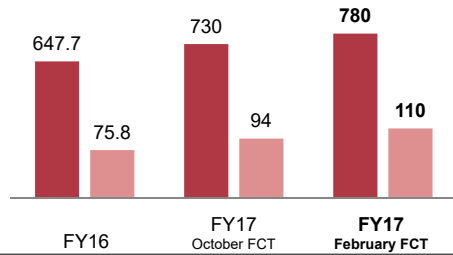
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Music Segment

Sales and Operating Income



Recorded Music Category Revenue	114.8	128.2
Streaming* Revenue (included above)	40.7	55.5



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

Q3 FY2017 (year-on-year)

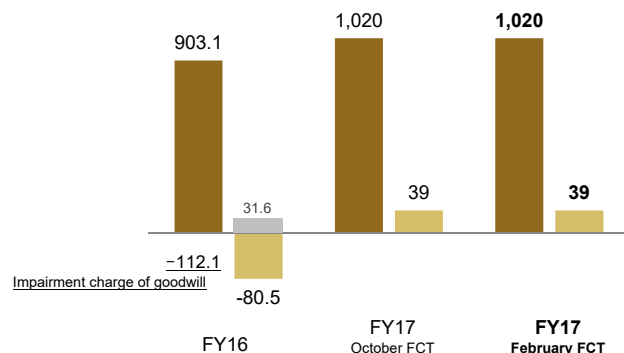
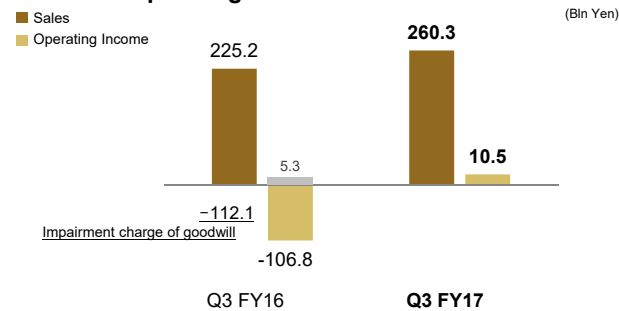
- Sales: 39.9 bln yen (22.4%) significant increase (FX Impact: +3.3 bln yen)
 - (+) Increase in Visual Media and Platform sales due to the continued strong performance of *Fate/Grand Order*, a game application for mobile devices
 - (+) Increase in Recorded Music sales due to an increase in digital streaming revenues
- OI: 11.4 bln yen significant increase
 - (+) Increase in sales

FY2017 Forecast (change from October forecast)

- Sales: 50 bln yen (6.8%) upward revision
 - (+) Higher-than-expected Recorded Music sales
 - (+) Higher-than-expected Visual Media and Platform sales
- OI: 16 bln yen upward revision
 - (+) Higher-than-expected sales

Pictures Segment

Sales and Operating Income



Q3 FY2017 (year-on-year)

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

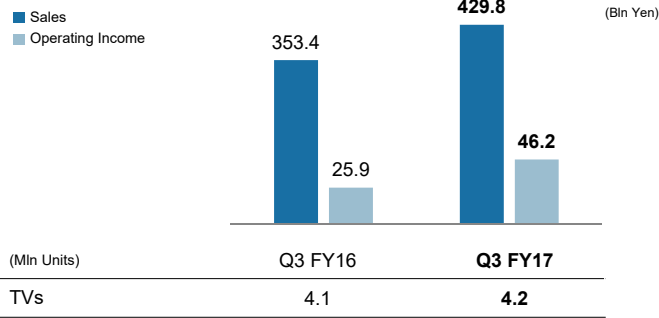
- Sales: 35.2 bln yen (15.6%) significant increase (U.S. dollar basis: +248 mil USD / +12%)
 - (+) Increase in sales for Media Networks
 - (+) Higher advertising and subscription revenues in India due to the acquisition of TEN Sports Network and improved ratings
 - (+) Higher revenues due to the acquisition of Funimation
 - (+) Increase in sales for Motion Pictures due to the strong worldwide theatrical performance of *Jumanji: Welcome to the Jungle*
 - (+) Increase in sales for Television Productions primarily due to higher subscription video-on-demand revenues mainly from season 2 of *The Crown*
 - (-) Lower home entertainment revenues for Motion Pictures catalog product
- OI: 117.3 bln yen significant improvement
 - (+) Absence of 112.1 billion yen (962 million U.S. dollars) impairment charge of goodwill recorded in Q3 FY16
 - (+) Increase in sales

FY2017 Forecast

- Sales / OI: Remain unchanged from October forecast
 - (+) Stronger-than-expected theatrical performance of *Jumanji: Welcome to the Jungle*
 - (-) Lower-than-expected home entertainment revenues for Motion Pictures

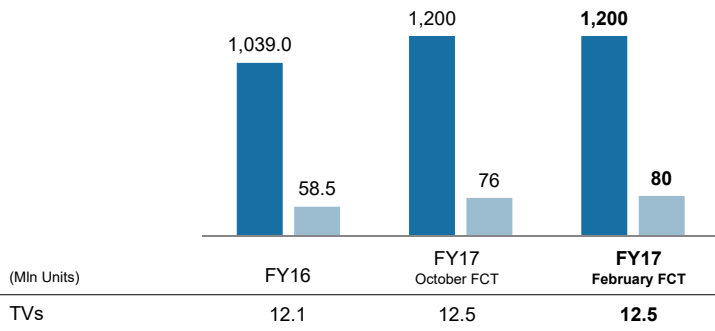
Home Entertainment & Sound Segment

Sales and Operating Income



Q3 FY2017 (year-on-year)

- Sales: 76.4 bln yen (21.6%) significant increase (FX impact: +25.1 bln yen)
 - (+) Improvement in the product mix of televisions reflecting a shift to high value-added models
 - (+) Impact of foreign exchange rates
- OI: 20.3 bln yen significant increase (FX Impact: +9.2 bln yen)
 - (+) Improvement in the product mix of televisions reflecting a shift to high value-added models
 - (+) Positive impact of foreign exchange rates
 - (-) Increase in the price of key components
 - (-) Increase in marketing costs

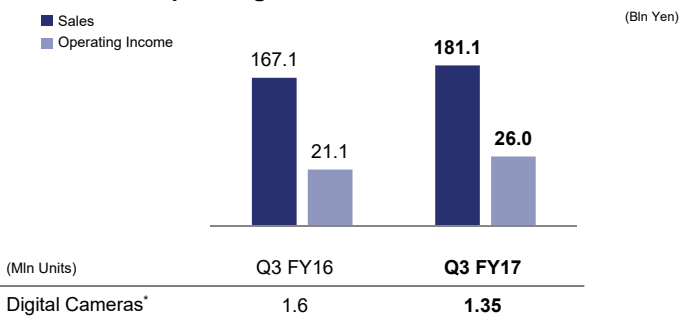


FY2017 Forecast (change from October forecast)

- Sales: Remains unchanged from October forecast
- OI: 4.0 bln yen upward revision
 - (+) Improvement in product mix for home audio and video
 - (+) Reduction in fixed costs and other operating costs in home audio and video

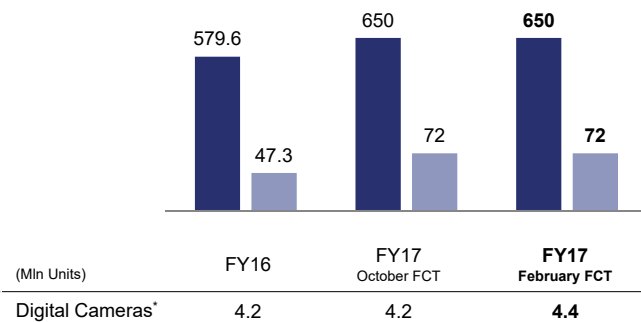
Imaging Products & Solutions Segment

Sales and Operating Income



Q3 FY2017 (year-on-year)

- Sales: 14.0 bln yen (8.4%) increase (FX Impact: +9.5 bln yen)
 - (+) Impact of foreign exchange rates
 - (+) Improvement in product mix reflecting a shift to high value-added models
 - (-) Decrease in unit sales
- OI: 4.9 bln yen increase (FX Impact: +5.0 bln yen)
 - (+) Positive impact of foreign exchange rates
 - (+) Improvement in product mix reflecting a shift to high value-added models
 - (-) Decrease in unit sales



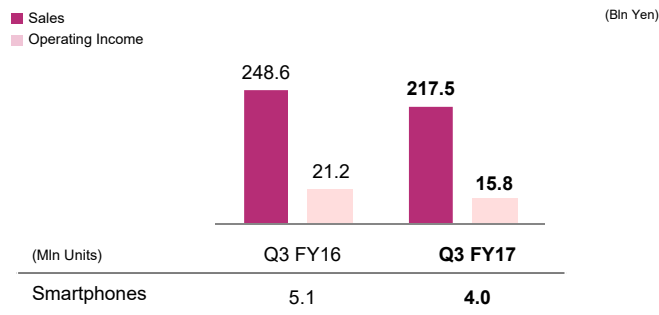
FY2017 Forecast

- Sales / OI: Remain unchanged from October forecast

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

Mobile Communications Segment

Sales and Operating Income



Q3 FY2017 (year-on-year)

- Sales: 31.1 bln yen (12.5%) significant decrease (FX Impact: +5.7 bln yen)
 - (-) Decrease in unit sales of smartphones
 - (+) Impact of foreign exchange rates
- OI: 5.4 bln yen decrease (FX Impact: -5.4 bln yen)
 - (-) Decrease in sales
 - (-) Increase in the price of key components
 - (-) Negative impact of foreign exchange rates
 - (+) Reduction in operating costs
 - (+) Reversal of a patent royalty accrual

FY2017 Forecast (change from October forecast)

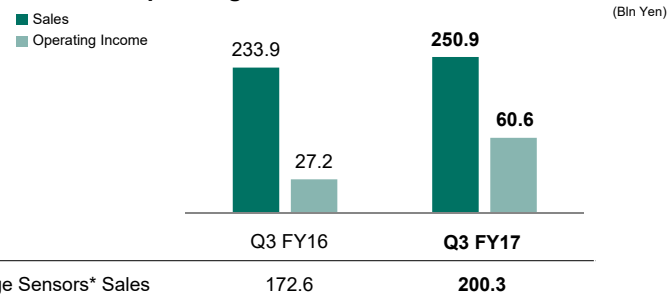
- Sales: 40 bln yen (5.1%) downward revision
 - (-) Decrease in smartphone unit sales
- OI: Remains unchanged from the October forecast
 - (-) Decrease in sales
 - (+) Reduction in operating costs



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Semiconductors Segment

Sales and Operating Income

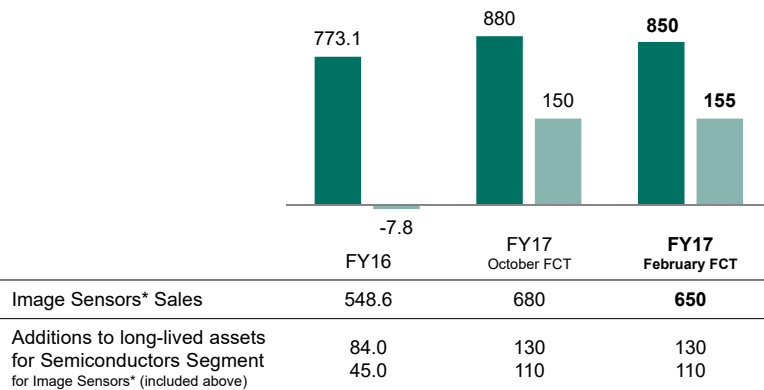


Q3 FY2017 (year-on-year)

- Sales: 17.1 bln yen (7.3%) increase (FX Impact: +7.3 bln yen)
 - (+) Significant increase in unit sales of image sensors for mobile products
 - (+) Impact of foreign exchange rates
 - (-) Significant decrease in sales of camera modules, a business which was downsized
- OI: 33.4 bln yen significant increase (FX Impact: +4.3 bln yen)
 - (+) Increase in sales
 - (+) 6.7 bln yen gain resulting from the sale of manufacturing equipment
 - (+) Positive impact of foreign exchange rates

FY2017 Forecast (change from October forecast)

- Sales: 30 bln yen (3.4%) downward revision
 - (+) Decrease in unit sales of image sensors for mobile products
- OI: 5 bln yen upward revision
 - (+) Higher-than-expected profits resulting from sales of assets
 - (+) Cost reductions
 - (-) Decrease in sales



*Category changes

Image sensors with sensing capabilities previously included in Other are now integrated into the Image Sensors category

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Semiconductors Segment Adjusted Operating Income

	Operating Income	Adjusted Operating Income	Adjusted Operating Income excludes the following items*1
Q3 FY16	27.2 bln yen	28.7 bln yen	<ul style="list-style-type: none"> Impact*2 of the 2016 Kumamoto Earthquakes (-1.5 bln yen)
Q3 FY17	60.6 bln yen	53.9 bln yen	<ul style="list-style-type: none"> Gain resulting from the sale of manufacturing equipment (+6.7 bln yen)
Change from FY16	+33.4 bln yen	+25.2 bln yen	

*1 These monetary amounts are disclosed in the Quarterly Financial Statements (previously known as the "Quarterly Earnings Release"), the Presentation Slides (previously known as the "Handout") and the Quarterly Securities Reports for the relevant quarters

*2 Net result of physical damage and opportunity losses offset by insurance recoveries, both of which resulted from the 2016 Kumamoto Earthquakes

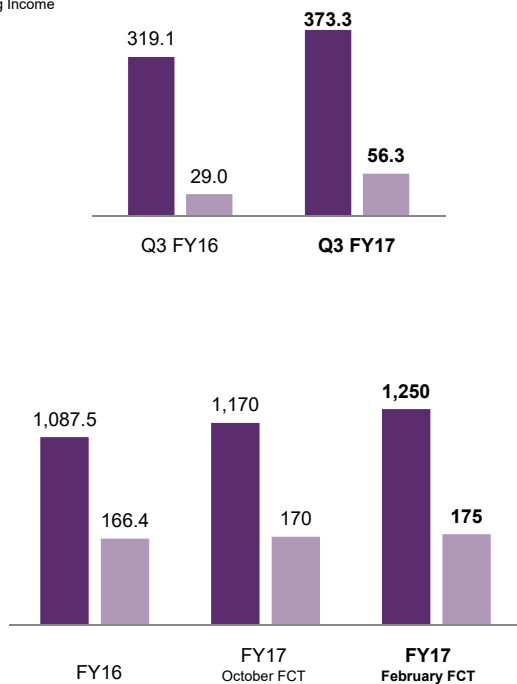
Adjusted operating income is not a measure in accordance with U.S. GAAP. However, Sony believes that this disclosure may be useful information to investors.

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Financial Services Segment

Financial Services Revenue and Operating Income

■ Financial Services Revenue (Bln Yen)
■ Operating Income



Q3 FY2017 (year-on-year)

- Revenue: 54.1 bln yen (17.0%) significant increase
 - (+) Increase in revenue at Sony Life (45.9 bln yen increase, revenue: 339.3 bln yen)
 - (+) Higher insurance premiums revenue reflecting an increase in the policy amount in force
 - (+) Improvement in investment performance in the general account
 - (+) Recording of a gain on the sale of real estate held for investment purposes
 - (+) Decrease in net losses on derivative transactions to hedge market risk pertaining to minimum guarantees for variable life insurance
 - (-) Deterioration in investment performance in the separate account
- 27.3 bln yen significant increase
 - (+) Increase in investment performance in the general account at Sony Life (Operating income at Sony Life increased 21.7 bln yen to 52.7 bln yen)

FY2017 Forecast

- Revenue: 80 bln yen (6.8%) upward revision
 - (+) Results in Q3 FY17 exceeded expectations
- OI: 5 bln yen upward revision
 - (+) Results in Q3 FY17 exceeded expectations

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Segment and Category Realignment

FY2016

FY2017

Game & Network Services (G&NS)

Hardware
Network
Other

Music

Recorded Music
Music Publishing
Visual Media and Platform

Pictures

Motion Pictures
Television Productions
Media Networks

Home Entertainment & Sound (HE&S)

Televisions
Audio and Video
Other

Imaging Products & Solutions (IP&S)

Still and Video Cameras
Other

Mobile Communications (MC)

Semiconductors

Components

Financial Services

All Other

Corporate

Game & Network Services (G&NS)

Hardware
Network
Other

Music

Recorded Music
Music Publishing
Visual Media and Platform

Pictures

Motion Pictures
Television Productions
Media Networks

Home Entertainment & Sound (HE&S)

Televisions
Audio and Video
Other

Imaging Products & Solutions (IP&S)

Still and Video Cameras
Other

Mobile Communications (MC)

Semiconductors

Financial Services

All Other

Corporate



Realignments

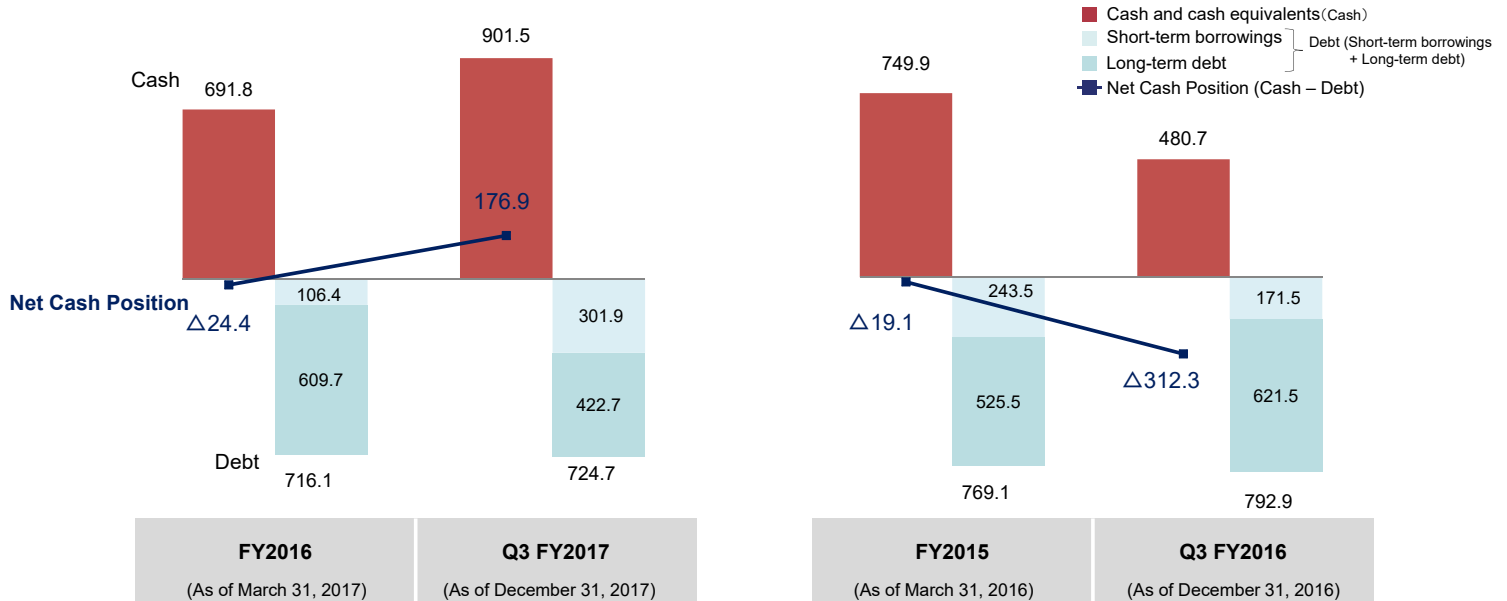
Sony realigned its business segments from the first quarter of the fiscal year ending March 31, 2018. As a result of this realignment, the operation of the former Components segment is now included in All Other. In connection with this realignment, the sales and operating revenue and operating income (loss) of each segment for the comparable period have been reclassified to conform to the current presentation.

Cash, Debt Balance (Sony without Financial Services)

(Billion yen)

The nine months ended December 31, 2017

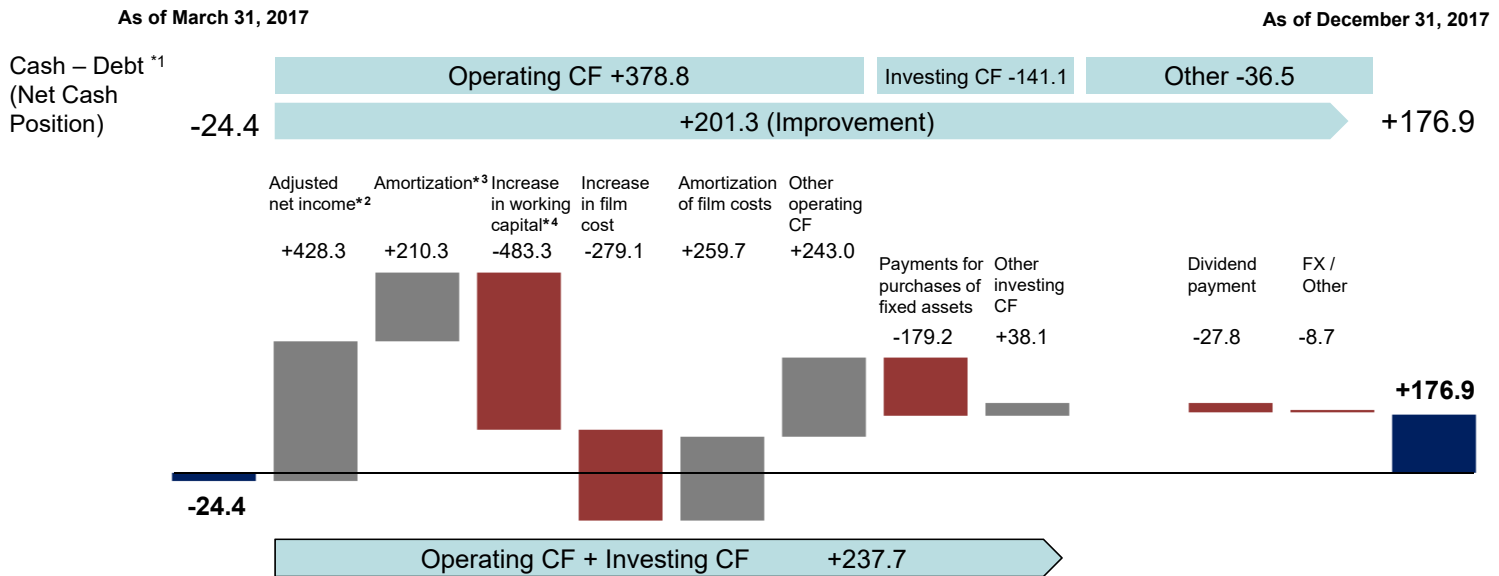
The nine months ended December 31, 2016



Please refer to F-14 in "Q3 FY16 Financial Statements" and F-9 in "Q3 FY17 Financial Statements" for condensed balance sheets for Sony without Financial Services

Q3 FY2017 Cash Flow (CF) Analysis (Sony without Financial Services)

(Billion yen)



*1 Please refer to P. 21.

*2 Net income(loss) + Other operating (income) expense, net + (Gain) loss on sale or devaluation of securities investments, net [Operating CF of Sony without Financial Services]

*3 Depreciation and amortization [Operating CF of Sony without Financial Services]

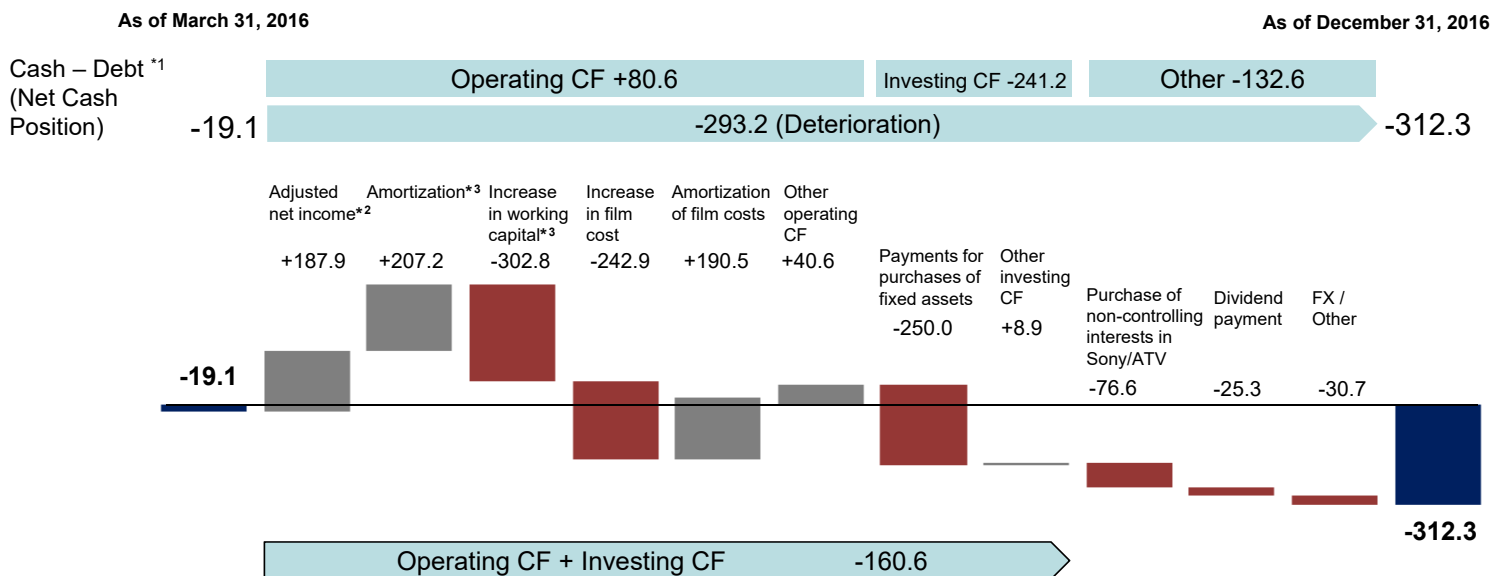
*4 (Increase) decrease in notes and accounts receivable, trade + (Increase) decrease of inventories + Increase (decrease) in notes and accounts payable, trade [Operating CF of Sony without Financial Services]

·Please refer to F-12 for a Condensed Statements of Cash Flows for Sony without Financial Services in "Financial Statements".

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Q3 FY2016 Cash Flow (CF) Analysis (Sony without Financial Services)

(Billion yen)



*1 Please refer to P. 21.

*2 Net income (loss) + Other operating (income) expense, net + (Gain) loss on sale or devaluation of securities investments, net [Operating CF of Sony without Financial Services]

*3 Depreciation and amortization [Operating CF of Sony without Financial Services]

*4 (Increase) decrease in notes and accounts receivable, trade + (Increase) decrease of inventories + Increase (decrease) in notes and accounts payable, trade [Operating CF of Sony without Financial Services]

·Please refer to F-11 for Condensed Statements of Cash Flows for Sony without Financial Services in "Q3 FY17 Financial Statements".

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Reorganization of Disclosure Items Related to the Quarterly Earnings Release

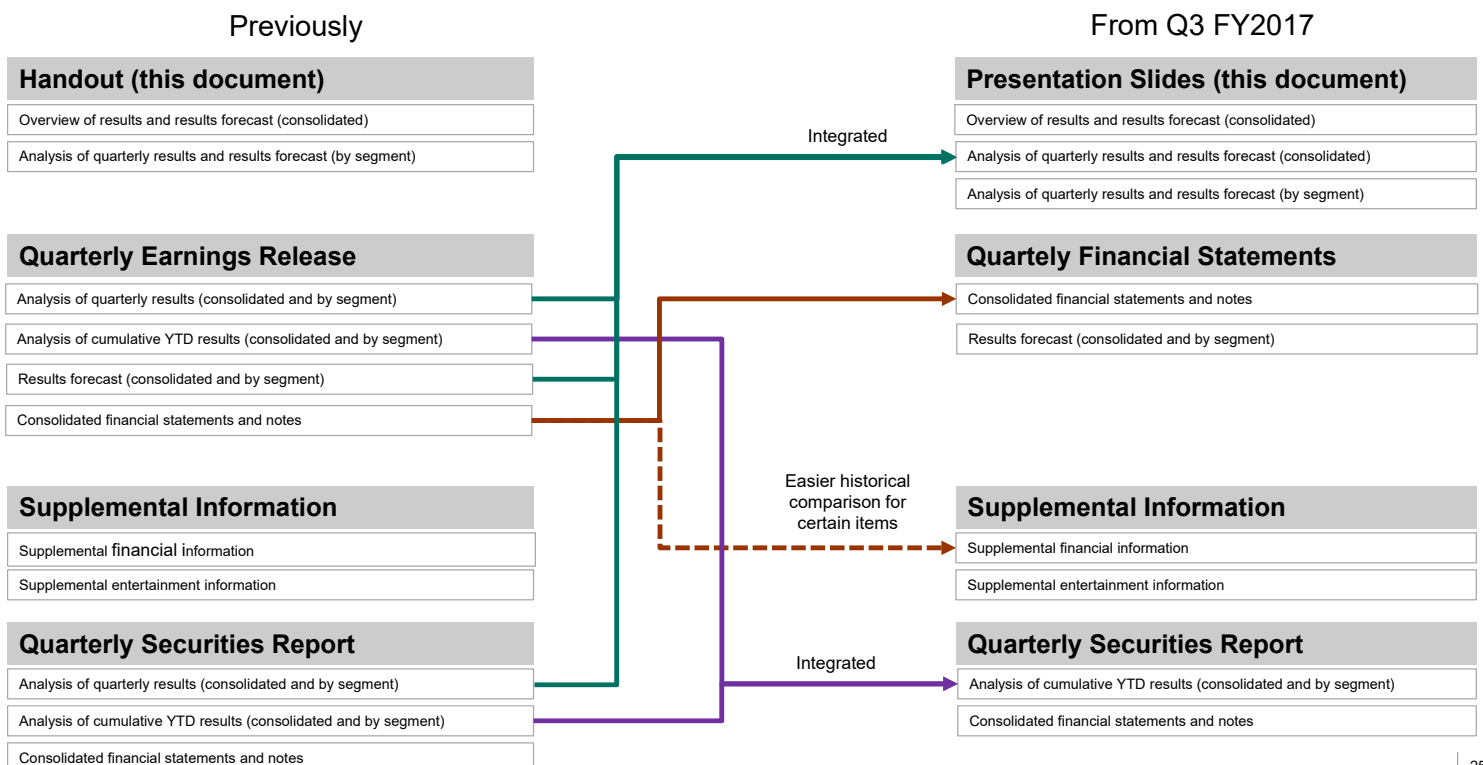
Sony has reorganized the placement of certain disclosure items for the Quarterly Earnings Release from Q3 FY2017. The major changes are listed below. A visualization of these changes appears on the following page.

- This presentation functions as the main explanatory material for the quarterly earnings release. It has been enhanced as follows:
 1. The analysis of the consolidated results for the current quarter has been integrated into this presentation.
 2. The analysis of the consolidated results forecast has been added to this presentation.

- Certain items* previously included in the Consolidated Financial Statements and Notes in the Quarterly Earnings Release have been moved to the Supplemental Information, where they can be viewed side-by-side with information from previous fiscal years and quarters. This information continues to be disclosed in the Quarterly Securities Report.
 - *Depreciation and amortization by segment
 - *Restructuring charges by segment
 - *Sales and operating revenue to external customers by geographic region
 - *Additions to long-lived assets, Depreciation and amortization, and Research and development expenses

- An analysis of cumulative year-to-date ("YTD") results has been integrated into the Quarterly Securities Report. The Quarterly Securities Report for Q3 FY2017 is scheduled to be disclosed on February 8, 2018.

Reorganization of Disclosure Items Related to the Quarterly Earnings Release



Notes

Sales on a Constant Currency Basis and Impact of Foreign Exchange Rate Fluctuations

The descriptions of sales on a constant currency basis reflect sales calculated by applying the yen's monthly average exchange rates from the previous fiscal year, or the same quarter of the previous fiscal year, to local currency-denominated monthly sales in the current fiscal year, or the current quarter, respectively. For Sony Music Entertainment and Sony/ATV Music Publishing in the Music segment, and in the Pictures segment, the constant currency amounts are calculated by applying the monthly average U.S. dollar / yen exchange rates after aggregation on a U.S. dollar basis.

The impact of foreign exchange rate fluctuations ("FX impact") on sales is calculated by applying the change in the yen's periodic weighted average exchange rates for the previous fiscal year, or the same quarter of the previous fiscal year, from the current fiscal year, or the current quarter, respectively, to the major transactional currencies in which the sales are denominated. The impact of foreign exchange rate fluctuations ("FX impact") on operating income (loss) is calculated by subtracting from the impact on sales the impact on cost of sales and selling, general and administrative expenses ("COGS & SGA") calculated by applying the same major transactional currencies calculation process to COGS & SGA as for the impact on sales. Additionally, the MC segment enters into its own foreign exchange hedging transactions. The impact of those transactions is included in the impact of foreign exchange rate fluctuations on operating income (loss) for that segment.

This information is not a substitute for Sony's consolidated financial statements measured in accordance with U.S. GAAP. However, Sony believes that these disclosures provide additional useful analytical information to investors regarding the operating performance of Sony.

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

The Music segment results include the yen-translated results of Sony Music Entertainment and Sony/ATV Music Publishing, both U.S.-based operations which aggregate the results of their worldwide subsidiaries on a U.S. dollar basis, and the results of Sony Music Entertainment (Japan) Inc., a Japan-based music company which aggregates its results in yen. The segment also includes equity in net income (loss) for EMI Music Publishing ("EMI"), an affiliated company accounted for under the equity method for which Sony records 39.8% of EMI's net income in the segment operating income.

The results presented in Pictures are a yen-translation of the results of Sony Pictures Entertainment Inc. ("SPE"), a U.S.-based operation that aggregates the results of its worldwide subsidiaries on a U.S. dollar basis. Management analyzes the results of SPE in U.S. dollars, so discussion of certain portions of its results is specified as being on "a U.S. dollar basis."

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

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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.

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