

SONY

FY2019 Consolidated Financial Results

(Fiscal year ended March 31, 2020)

May 13, 2020

Sony Corporation

FY2019 Consolidated Results

	FY18	FY19	Change
			(Bln Yen)
Sales & operating revenue	8,665.7	8,259.9	-405.8 bln yen (-5%)
Operating income	894.2	845.5	-48.8 bln yen (-5%)
Income before income taxes	1,011.6	799.5	-212.2 bln yen (-21%)
Net income attributable to Sony Corporation's stockholders	916.3	582.2	-334.1 bln yen (-36%)
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	707.74 yen	461.23 yen	-246.51 yen
Sony without Financial Services*			
Operating Cash Flow	+753.4	+762.9	+9.4 bln yen
Investing Cash Flow	-520.4	-363.1	+157.3 bln yen
Free Cash Flow (Operating CF + Investing CF)	+233.1	+399.8	+166.7 bln yen
Average Rate			Dividend per Share
1 US dollar	110.9 yen	108.7 yen	Interim 20 yen
1 Euro	128.5 yen	120.8 yen	Year-end 25 yen
			Full year 45 yen

*See page F-12 in "FY19 Financial Statements" for Condensed Statements of Cash Flows for Sony without Financial Services (applies to all following pages).

Consolidated cash flow (Sony without Financial Services) and free cash flow are not measures in accordance with U.S. GAAP. However, Sony believes that this disclosure may be useful information to investors.

Q4 FY2019 Consolidated Results

(Bln Yen)

	Q4 FY18	Q4 FY19	Change
Sales & operating revenue	2,127.5	1,748.7	-378.8 bln yen (-18%)
Operating income	82.7	35.4	-47.3 bln yen (-57%)
Income before income taxes	112.6	-4.0	-116.6 bln yen (- %)
Net income attributable to Sony Corporation's stockholders	87.9	12.6	-75.2 bln yen (-86%)
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	68.23 yen	10.10 yen	-58.13 yen
Average rate			
1 US dollar	110.3 yen	109.0 yen	
1 Euro	125.3 yen	120.2 yen	

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FY2019 Consolidated Results: Year-on-year Change

	Year-on-year Change	Contributing Factors (+) Increase / (-) Decrease
Sales & operating revenue	-405.8 bln yen -5 %	·(-) Significant decreases in EP&S and G&NS segment sales ·(+) Significant increase in I&SS segment sales On a constant currency basis*, sales decreased 3%.
Operating income	-48.8 bln yen -5 %	·(-) Significant decreases in operating income in the Music segment, which recorded a remeasurement gain resulting from the consolidation of EMI in FY18, and in the G&NS segment ·(+) Significant increases in operating income in the I&SS segment and All Other
Net effect of other income and expenses	163.4 bln yen deterioration (117.4 bln yen income → 46.0 bln yen expense)	·(-) Realized and unrealized gains on shares of Spotify in FY18 (+117.8 bln yen, net)
Income tax expense	+177.2 bln yen (Effective tax rate 4.5% → 22.2%)	·(-) 154.2 billion yen reversal of valuation allowances against a significant portion of deferred tax assets in the U.S. consolidated tax group in Q3 FY18 ·(-) Not recording income tax expense on the remeasurement gain of 116.9 billion yen for the equity interest in EMI in Q3 FY18

* See page 31 for information about the impact of foreign exchange rate fluctuations on sales and operating income (loss) (applies to all following pages).

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Adjusted Operating Income

	Operating Income	Adjusted Operating Income	Adjusted Operating Income excludes the following items*
FY18	894.2 bln yen	809.3 bln yen	<ul style="list-style-type: none"> ■ Remeasurement gain resulting from the consolidation of EMI (Music segment: +116.9 bln yen) ■ Impairment charge against long-lived assets (EP&S segment: -19.2 bln yen) ■ Impairment charge against long-lived assets and goodwill (All Other: -12.9 bln yen)
FY19	845.5 bln yen	814.0 bln yen	<ul style="list-style-type: none"> ■ Remeasurement and realized gains resulting from the public listing and sale of a portion of shares of SRE Holdings Corporation (All Other: +17.3 bln yen) ■ Patent royalty revenue resulting from the signing of a licensing agreement (Corporate and elimination: +7.9 bln yen) ■ Realized and remeasurement gains resulting from the transfer of a portion of shares of NSF Engagement Corporation (Corporate and elimination: +6.3 bln yen)
Change from FY18	-48.8 bln yen	+4.6 bln yen (+1%)	

* These monetary amounts have been disclosed in the Financial Statements, the Presentation slides and the Quarterly Securities Reports for the relevant quarters.
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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Adjusted Operating Income (Q4)

	Operating Income	Adjusted Operating Income	Adjusted Operating Income excludes the following items*
Q4 FY18	82.7 bln yen	95.6 bln yen	<ul style="list-style-type: none"> ■ Impairment charge against long-lived assets and goodwill (All Other: -12.9 bln yen)
Q4 FY19	35.4 bln yen	35.4 bln yen	
Change from FY18	-47.3 bln yen	-60.1 bln yen (-63%)	

* These monetary amounts have been disclosed in the Financial Statements, the Presentation slides and the Quarterly Securities Reports for the relevant quarters.
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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Adjusted Income Before Income Taxes

	Income Before Income Taxes	Adjusted Income Before Income Taxes	Adjusted Income Before Income Taxes excludes the following items*
FY18	1,011.6 bln yen	809.0 bln yen	<ul style="list-style-type: none"> Unrealized and realized gains on shares of Spotify (+117.8 bln yen, net) Remeasurement gain resulting from the consolidation of EMI (Music segment: +116.9 bln yen) Impairment charge against long-lived assets (EP&S segment: -19.2 bln yen) Impairment charge against long-lived assets and goodwill (All Other: -12.9 bln yen)
FY19	799.5 bln yen	774.3 bln yen	<ul style="list-style-type: none"> Remeasurement and realized gains resulting from the public listing and sale of a portion of shares of SRE Holdings Corporation (All Other: +17.3 bln yen) Patent royalty revenue resulting from the signing of a licensing agreement (Corporate and elimination: +7.9 bln yen) Realized and remeasurement gains resulting from the transfer of a portion of shares of NSF Engagement Corporation (Corporate and elimination: +6.3 bln yen) Loss resulting from a change in Sony's Japanese pension plans (-6.4 bln yen)
Change from FY18	-212.2 bln yen	-34.7 bln yen (-4%)	

* These monetary amounts are disclosed in the Quarterly Financial Statements, the Presentation Slides and the Quarterly Securities Reports for the relevant quarters.

Adjusted income before income taxes 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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Adjusted Income Before Income Taxes (Q4)

	Income Before Income Taxes	Adjusted Income Before Income Taxes	Adjusted Income Before Income Taxes excludes the following items*
Q4 FY18	112.6 bln yen	125.5 bln yen	<ul style="list-style-type: none"> Impairment charge against long-lived assets and goodwill (All Other: -12.9 bln yen)
Q4 FY19	-4.0 bln yen	-4.0 bln yen	
Change from FY18	-116.6 bln yen	-129.5 bln yen (- %)	

* These monetary amounts are disclosed in the Quarterly Financial Statements, the Presentation Slides and the Quarterly Securities Reports for the relevant quarters.

Adjusted income before income taxes 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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Adjusted Net Income Attributable to Sony Corporation's Stockholders

	Net Income Attributable to Sony Corporation's Stockholders	Adjusted Net Income Attributable to Sony Corporation's Stockholders	Adjusted Net Income Attributable to Sony Corporation's Stockholders excludes the following items ¹
FY18	916.3 bln yen	578.5 bln yen	<ul style="list-style-type: none"> ■ Realized and unrealized gains on shares of Spotify (+117.8 bln yen, net) ■ Impairment charge against long-lived assets (EP&S segment: -19.2 bln yen) ■ Impairment charge against long-lived assets and goodwill (All Other: -12.9 bln yen) ■ Tax adjustment with regard to the above three items (-19.0 bln yen) ■ Remeasurement gain resulting from the consolidation of EMI (Music segment: +116.9 bln yen) ■ Reversal of valuation allowances against a portion of deferred tax assets (+154.2 bln yen)
FY19	582.2 bln yen	550.3 bln yen	<ul style="list-style-type: none"> ■ Remeasurement and realized gains resulting from the public listing and sale of a portion of shares of SRE Holdings Corporation (All Other: +17.3 bln yen) ■ Patent royalty revenue resulting from the signing of a licensing agreement (Corporate and elimination: +7.9 bln yen) ■ Realized and remeasurement gains resulting from the transfer of a portion of shares of NSF Engagement Corporation (Corporate and elimination: +6.3 bln yen) ■ Loss resulting from a change in Sony's Japanese pension plans (-6.4 bln yen) ■ Tax adjustment with regard to the above four items (-6.0 bln yen) ■ Reduction in tax expenses resulting from the sale of Olympus Corporation shares² (+12.7 bln yen)
Change from FY18	-334.1 bln yen	-28.2 bln yen (-5%)	

¹ These monetary amounts are disclosed in the Financial Statements, the Presentation slides and the Quarterly Securities Reports for the relevant quarters.

² Tax benefit resulting from the actual tax expense related to the gain on the sale of Olympus Corporation shares being lower than the deferred tax liabilities recorded for the unrealized gain resulting from the revaluation of those shares.

Adjusted net income attributable to Sony Corporation's stockholders 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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Adjusted Net Income Attributable to Sony Corporation's Stockholders

FY18

(Bln Yen)

	Income Before Income Taxes	Taxes	Effective Tax Rate	Net Income Attributable to Sony Corporation's Stockholders
Financial results	1,011.6	45.1	4.5%	916.3
Adjusted items impacting effective tax rate				
Step-up gain relating to consolidation of EMI ^{1,2}	-116.9	-	-	-116.9
Reversal of valuation allowance for taxable assets ¹	-	+154.2	-	-154.2
Subtotal	894.7	199.3	22.3%	645.2
Other Adjusted items ²	-85.7	-19.0	22.3%	-66.7
Adjusted results	809.0	180.2	22.3%	578.5

FY19

	Income Before Income Taxes	Taxes	Effective Tax Rate	Net Income Attributable to Sony Corporation's Stockholders
Financial results	799.5	177.2	22.2%	582.2
Adjusted items impacting effective tax rate				
Reduction in tax expense resulting from the sale of Olympus Corporation shares	-	+12.7	-	-12.7
Subtotal	799.5	189.9	23.8%	569.5
Other Adjusted items ²	-25.1	-6.0	23.8%	-19.2
Adjusted results	774.3	183.9	23.8%	550.3

¹ These monetary amounts are disclosed in the Quarterly Financial Statements, the Presentation Slides and the Quarterly Securities Reports for the relevant quarters.

² See page 8 for the adjusted items.

Adjusted results are 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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Adjusted Net Income Attributable to Sony Corporation's Stockholders (Q4)

	Net Income Attributable to Sony Corporation's Stockholders	Adjusted Net Income Attributable to Sony Corporation's Stockholders	Adjusted Net Income Attributable to Sony Corporation's Stockholders excludes the following items*
Q4 FY18	87.9 bln yen	99.4 bln yen	<ul style="list-style-type: none"> ■ Impairment charge against long-lived assets and goodwill (All Other: -12.9 bln yen) ■ Tax adjustment with regard to the above item (+1.3 bln yen)
Q4 FY19	12.6 bln yen	12.6 bln yen	
Change from FY18	-75.2 bln yen	-86.8 bln yen (-87%)	

* These monetary amounts have been disclosed in the Financial Statements, the Presentation slides and the Quarterly Securities Reports for the relevant quarters.

Adjusted net income attributable to Sony Corporation's stockholders 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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FY2019 Cash Flow (CF) by Segment (Sony without Financial Services)

		FY18	FY19
(Bln Yen)			
Game & Network Services (G&NS)	Operating CF	+334.5	+180.5
	Investing CF	-37.0	-73.2
	Free CF* ¹	+297.5	+107.3
Music	Operating CF	+58.8	+121.1
	Investing CF	-234.1	-56.2
	Free CF	-175.3	+64.9
Pictures	Operating CF	+50.1	+141.5
	Investing CF	-18.8	-40.5
	Free CF	+31.3	+101.0
Electronics Products & Solutions (EP&S)	Operating CF	+153.8	+123.8
	Investing CF	-64.3	-108.9
	Free CF	+89.5	+14.9
Imaging & Sensing Solutions (I&SS)	Operating CF	+196.1	+308.9
	Investing CF	-132.5	-224.6
	Free CF	+63.7	+84.3
All Other, Corporate and elimination and Adjustment *²	Operating CF	-39.8	-112.9
	Investing CF	-33.7	+140.3
	Free CF	-73.5	+27.4
Consolidated total without Financial Services	Operating CF	+753.4	+762.9
	Investing CF	-520.4	-363.1
	Free CF	+233.1	+399.8

The calculation of Investing CF for each segment differs from the calculation of the Statement of Cash Flows for Sony without Financial Services (See page F-12 of "FY19 Financial Statements") as follows:

- Increases and decreases in fixed-term deposits held by each segment are excluded from Investing CF

- Expenditures for finance leases are included in Investing CF (instead of Financial CF)

- Expenditures for operating leases are excluded from Operating CF and included in Investing CF (from FY19).

These result in the following amounts being adjusted in each of the Operating CF and the Investing CF figures shown above:

(FY18 Investing CF) G&NS: -0.6 bln yen, Music: 1.4 bln yen, Pictures: -2.4 bln yen, EP&S: - 8.0 bln yen, I&SS: -0.4 bln yen, All Other and Corporate and elimination: -0.6 bln yen, Adjustment* 10.7 bln yen

(FY19 Operating CF) G&NS: 11.5 bln yen, Music: 9.8 bln yen, Pictures: 7.1 bln yen, EP&S: 26.4 bln yen, I&SS: 7.5 bln yen, All Other and Corporate and elimination: -2.2 bln yen, Adjustment* -60.1 bln yen

(FY19 Investing CF) G&NS: -11.8 bln yen, Music: -29.4 bln yen, Pictures: -7.1 bln yen, EP&S: -40.2 bln yen, I&SS: -6.6 bln yen, All Other and Corporate and elimination: -17.7 bln yen, Adjustment* 114.8 bln yen

* Free CF is the total of Operating CF and Investing CF.

*² "Adjustment" is the total corrected for the above adjustments made to the Operating CF and the Investing CF for each segment.

Operating cash flow by segment, investing cash flow by segment and free cash flow are not measures in accordance with U.S. GAAP. However, Sony believes that this disclosure may be useful information to investors.

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FY2019 Results by Segment [Reclassified]

(Bln Yen)

		FY18	FY19	Change	FX Impact
Game & Network Services (G&NS)	Sales	2,310.9	1,977.6	-333.3	-65.4
	Operating income	311.1	238.4	-72.7	-12.2
Music	Sales	807.5	849.9	+42.4	-11.2
	Operating income	232.5	142.3	-90.1	
Pictures	Sales	986.9	1,011.9	+25.0	-22.1
	Operating income	54.6	68.2	+13.6	
Electronics Products & Solutions (EP&S)	Sales	2,320.6	1,991.3	-329.4	-59.8
	Operating income	76.5	87.3	+10.8	-23.0
Imaging & Sensing Solutions (I&SS)	Sales	879.3	1,070.6	+191.2	-22.2
	Operating income	143.9	235.6	+91.7	-18.2
Financial Services	Revenue	1,282.5	1,307.7	+25.2	
	Operating income	161.5	129.6	-31.9	
All Other	Sales	345.7	251.4	-94.3	
	Operating income	-11.1	16.3	+27.4	
Corporate and elimination	Sales	-267.8	-200.4	+67.3	
	Operating income	-74.7	-72.2	+2.5	
Consolidated total	Sales	8,665.7	8,259.9	-405.8	
	Operating income	894.2	845.5	-48.8	

- Due to Sony's realignment of its business segments in Q1 FY2019, certain figures in past fiscal years have been reclassified to conform to the presentation of FY2019 (applies to all following pages).
- The former Semiconductors segment has been renamed the Imaging & Sensing Solutions ("I&SS") segment effective from Q1 FY2019 (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 Notes on page 31 (applies to all following pages).

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Estimated Impact Amount of the Spread of the New Coronavirus Disease on FY2019 Consolidated Operating Income

(Bln Yen)

	Estimated Impact Amount	Summary
Game & Network Services (G&NS)	+2.8	Increase in game software download sales and network services
Music	-1.0	Decrease in usage of music (for TV advertisements, restaurants, bars, etc.) Impact due to cancellation and postponement of events
Pictures	+1.5	Decrease in sales of TV programming due to delay of delivery Digital sales trending well and decrease in marketing costs due to postponement of theatrical releases in Motion Pictures
Electronics Products & Solutions (EP&S)	-35.1	Supply shortage due to shutdown of factories in China and Malaysia Decrease in demand due to lockdowns around the world
Imaging & Sensing Solutions (I&SS)	-8.4	Decrease in demand mainly due to interruption of customer operations and supply chains
Financial Services	-28.0	Deterioration in valuation gains and losses on securities at Sony Bank and increase in the provision of policy reserves at Sony Life due to a deterioration in market conditions, etc.
Total Amount of Impact	-68.2	

· The above impacts are estimated based on the assumptions stated on page 32, and may not reflect all of the impact from the spread of the new coronavirus disease, and/or may incorporate factors other than those resulting from the new coronavirus disease.

The above impacts are not measures in accordance with U.S. GAAP. However, Sony believes that this disclosure may be useful information to investors.

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Q4 FY2019 Results by Segment [Reclassified]

(Bln Yen)

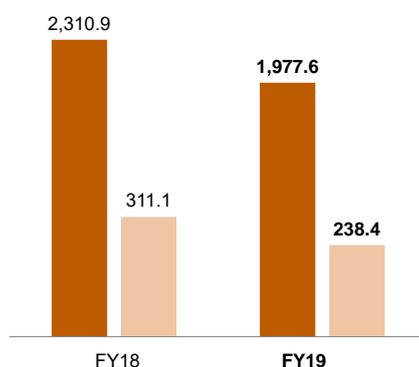
		Q4 FY18	Q4 FY19	Change	FX Impact
Game & Network Services (G&NS)	Sales	498.1	433.6	-64.5	-9.6
	Operating income	63.9	46.2	-17.8	-0
Music	Sales	212.8	211.4	-1.4	-1.7
	Operating income	21.8	30.3	+8.6	
Pictures	Sales	294.2	329.1	+35.0	-4.4
	Operating income	27.1	23.0	-4.0	
Electronics Products & Solutions (EP&S)	Sales	483.4	363.4	-120.0	-6.9
	Operating income	-38.9	-59.5	-20.6	-1.8
Imaging & Sensing Solutions (I&SS)	Sales	192.3	231.2	+38.8	-2.5
	Operating income	20.3	34.5	+14.2	-2.4
Financial Services	Revenue	430.3	186.4	-243.9	
	Operating income	43.8	12.1	-31.8	
All Other	Sales	72.3	40.7	-31.7	
	Operating income	-22.6	-4.2	+18.4	
Corporate and elimination	Sales	-55.9	-47.1	+8.9	
	Operating income	-32.8	-46.9	-14.2	
Consolidated total	Sales	2,127.5	1,748.7	-378.8	
	Operating income	82.7	35.4	-47.3	

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Game & Network Services Segment

Sales and Operating Income

(Bln Yen)



FY2019 (year-on-year)

- Sales: 333.3 bln yen (14%) significant decrease (FX Impact: -65.4 bln yen)
 - (-) Decrease in PlayStation®4 hardware sales
 - (-) Decrease in game software sales
 - (-) Impact of foreign exchange rates
 - (+) Increase in sales for PlayStation®Plus (PS Plus)
- OI: 72.7 bln yen significant decrease (FX Impact: -12.2 bln yen)
 - (-) Decrease in game software sales
 - (-) Negative impact of foreign exchange rates
 - (+) Increase in sales for PS Plus
 - (+) Cost reductions

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Impact of the Spread of the New Coronavirus Disease (G&NS Segment)

- PlayStation®4 hardware sales trending well
- Network services revenue increased
- PlayStation®5 on track for launch in this holiday season
- No major issues in game software development at this point

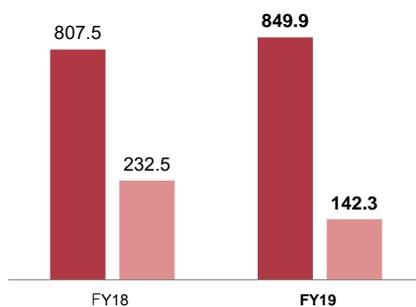
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Music Segment

Sales and Operating Income

■ Sales
■ Operating Income

(Bln Yen)



FY2019 (year-on-year)

■ Sales: 42.4 bln yen (5%) increase
(FX Impact: -11.2 bln yen)

- (+) Higher sales for Music Publishing primarily resulting from the consolidation of EMI
- (+) Higher sales for Recorded Music primarily due to an increase in streaming revenues
- (-) Lower sales for Visual Media and Platform primarily due to lower sales for *Fate/Grand Order*, a mobile game application

■ OI: 90.1 bln yen significant decrease

- (-) Recording of a remeasurement gain (116.9 bln yen) resulting from the consolidation of EMI in FY18
- (+) Recording of equity in net loss resulting from Sony's acquisition of the remaining approximately 60% interest in EMI in FY18 (11.6 bln yen)
- (+) Impact of increase in sales

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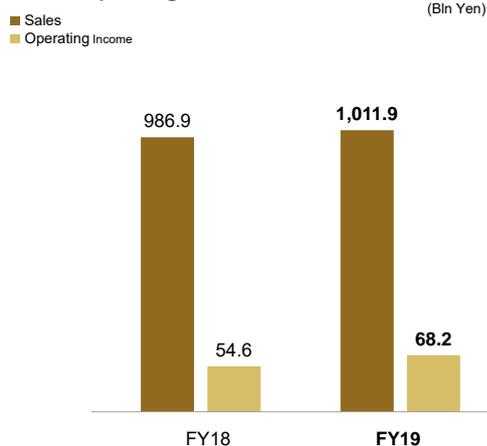
Impact of the Spread of the New Coronavirus Disease (Music Segment)

- Delays in new music due to the impact on recording activities
- Decrease in sales of CDs and other media due to restrictions on going outside
- Decline in ticket revenue, merchandising revenue and video revenue due to cancellation and postponement of events
- Decrease in music licensing revenue resulting from reduction in advertising spend and delays in video content production

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Pictures Segment

Sales and Operating Income



FY2019 (year-on-year)

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

- Sales: 25.0 bln yen (3%) increase (U.S. dollar basis: +446 mil USD / +5%)
 - (+) Higher worldwide theatrical revenues
 - (+) Higher licensing revenues for Television Productions
 - (-) Decrease in sales for Media Networks primarily due to the impact of the channel portfolio review undertaken in FY18
- OI: 13.6 bln yen significant increase
 - (+) Benefit of the above-mentioned channel portfolio review
 - (+) Higher profit margins on Motion Pictures catalog titles
 - (-) Increase in development expenses and higher costs as a result of an increase in the number of new programs in Television Productions
 - (-) Increase in charges related to the channel portfolio review in Media Networks (-12.8 billion yen in FY18 and -17.0 billion yen in FY19)

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Impact of the Spread of the New Coronavirus Disease (Pictures Segment)

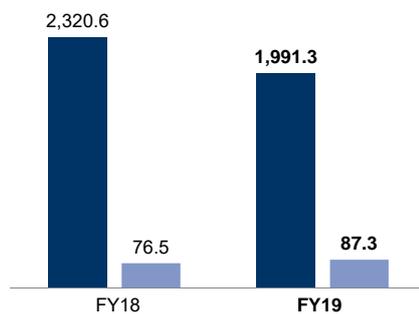
- Delays in theatrical releases due to the closure of movie theaters and production delays
 - Decrease in revenue including theatrical revenue
- Digital sales for Motion Pictures trending well
- Delays in the delivery of shows due to the impact on television productions
- Decrease in advertising revenue in Media Networks due to global reduction in advertising spending

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Electronics Products & Solutions (EP&S Segment)

Sales and Operating Income

■ Sales
■ Operating Income
(Bln Yen)



FY2019 (year-on-year)

- Sales: 329.4 bln yen (14%) significant decrease (FX Impact: -59.8 bln yen)
 - (-) Decrease in smartphone and television unit sales
 - (-) Impact of foreign exchange rates
- OI: 10.8 bln yen increase (FX Impact: -23.0 bln yen)
 - (+) Reductions in operating costs within Mobile Communications
 - (+) Decrease of impairment charge against long-lived assets in Mobile Communications
 - (-) Impact of decrease in sales
 - (-) Negative impact of foreign exchange rates

Mobile Communications Business*
(included above)

Sales to External Customers	487.3	362.1
Operating Income	-97.1	-21.1

* Mobile Communications Business includes the smartphone business and the fixed line communications business.

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Impact of the Spread of the New Coronavirus Disease (EP&S Segment)

- Supply shortage due to reduced production at factories
- Delay in production due to component shortages
- Retail sales decrease due to the closure and shutdown of retail stores globally

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Imaging & Sensing Solutions Segment (I&SS Segment)

Sales and Operating Income

- Sales
- Operating Income

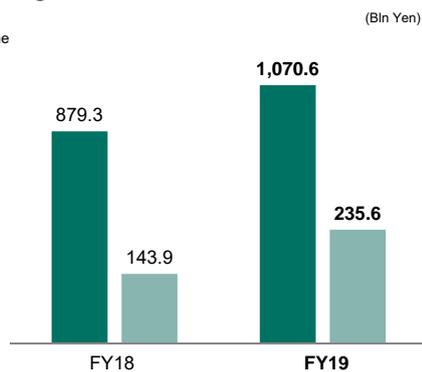


Image Sensors Sales	711.4	930.2
Additions to long-lived assets for I&SS Segment	146.3	276.8
for Image Sensors (included above)	128.9	265.7

FY2019 (year-on-year)

- Sales: 191.2 bln yen (22%) significant increase (FX Impact: -22.2 bln yen)
 - (+) Significant increase in sales of image sensors for mobile products
 - (+) Improvement in product mix
 - (+) Increase in unit sales
 - (-) Impact of foreign exchange rates
- OI: 91.7 bln yen significant increase (FX Impact: -18.2 bln yen)
 - (+) Increase in sales of image sensors for mobile products
 - (-) Increase in depreciation and amortization expenses as well as in research and development expenses
 - (-) Negative impact of foreign exchange rates

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Impact of the Spread of the New Coronavirus Disease (I&SS Segment)

- Image sensor manufacturing facilities are operating as usual
- Supply chains of our customers have been recovering
- We continue to monitor slowdown in the smartphone market

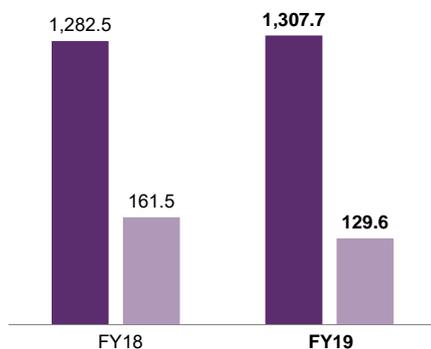
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Financial Services Segment

Financial Services Revenue and Operating Income

■ Financial Services Revenue
■ Operating Income

(Bln Yen)



FY2019 (year-on-year)

■ Revenue: 25.2 bln yen (2%) increase

- (+) Increase in revenue at Sony Life (28.6 bln yen increase, revenue: 1,171.7 bln yen)
- (+) Increase in premium revenue mainly from single premium insurance
- (-) Deterioration in net gains and losses on investments in the separate account

■ OI: 31.9 bln yen decrease

- (-) Decrease at Sony Life (22.1 bln yen decrease, OI: 123.5 bln yen)
- (-) Increase in the provision of policy reserves and deterioration in net gains and losses on investments, driven by a decline in the stock market and lower interest rates
- (-) Deterioration in valuation gains and losses on securities at Sony Bank

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Impact of the Spread of the New Coronavirus Disease (Financial Services Segment)

- All in-person sales activity of the life planners at Sony Life has stopped
 - Decrease in acquisition of new insurance policies

- Potential impact on financial results due to fluctuations in the financial market

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Estimate of FY2020 Operating Income (Excluding the Financial Services Segment)

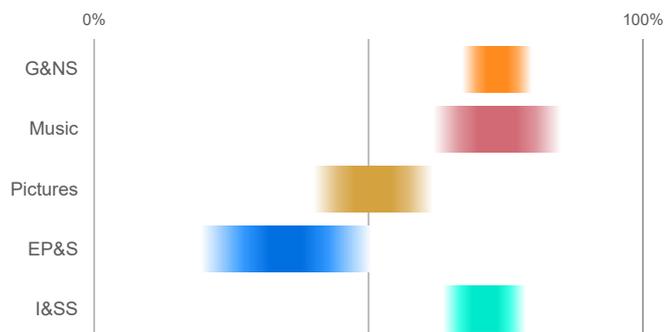
(Estimate of FY2020 operating income where 100% represents operating income levels in FY2019)

This chart shows an estimate of operating income by segment for FY20 expressed as a percentage range of the level of operating income achieved in FY19, based on the following assumptions:

Assumptions:

- The disease will continue to spread during FY20 Q1, resulting in restrictions on the movement of people and things as well as disruption in business operations.
- The spread of the disease will reach a peak at the end of June and restrictions on the movement of people and things will be relaxed in FY20 Q2, with business operations returning to normal in stages.
- At the end of FY20 Q2, the impact of the new coronavirus disease will be substantially diminished, and in FY20 Q3 business operations will return to normal.
- Foreign exchange rate assumptions are 105 yen to the dollar and 115 yen to the euro.

Estimate of FY20 operating income where 100% represents operating income levels in FY19



For a qualitative explanation of the impact of the new coronavirus disease within each business, please refer to "Current View Regarding the Impact on the Business from the Spread of COVID-19" in the "FY19 Financial Statements."

If these assumptions change, actual operating income results could vary significantly from the estimated ranges.

Even if these assumptions do not change, Sony cannot guarantee that actual operating income results will be within these ranges.

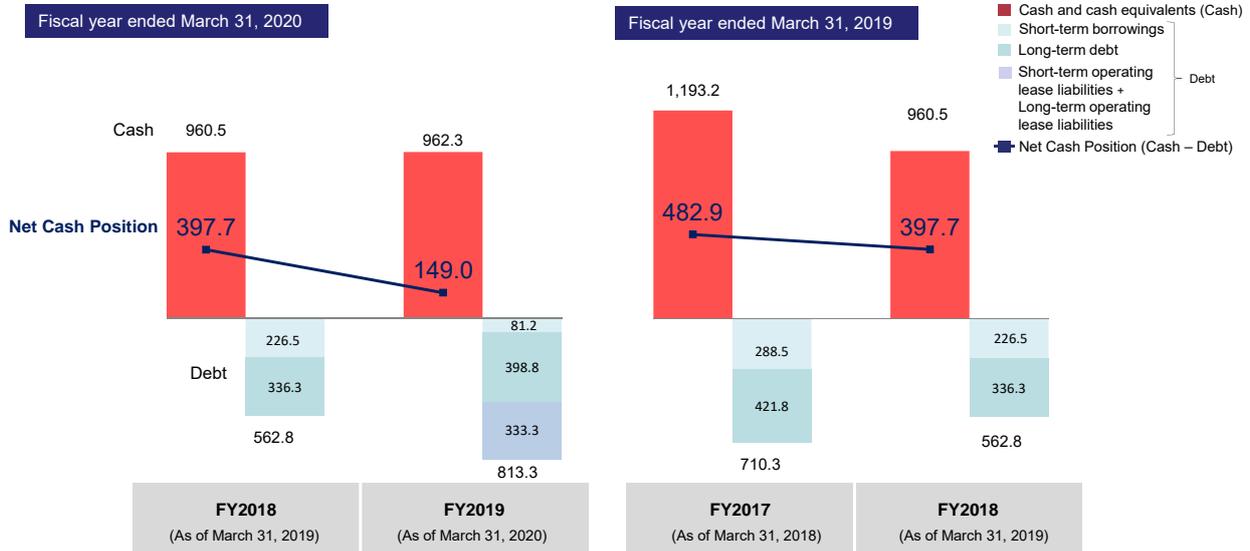
Sony Financial Holdings Inc. ("SFH") has not determined the financial forecast for FY20 because it is difficult to predict when the spread of the new coronavirus disease in Japan will diminish and in-person sales activity will be restarted. Additionally, Sony has determined that it is difficult to disclose an estimate for the Financial Services segment in the same manner as the other segments, because continuous large fluctuations in the financial market may have a significant impact on any increase/decrease in the profit of SFH.

The above estimate 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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Cash, Debt Balance (Sony without Financial Services)

(Bln Yen)



See F-10 in "FY18 Financial Statements" and F-10 in "FY19 Financial Statements" for condensed balance sheets for Sony without Financial Services.

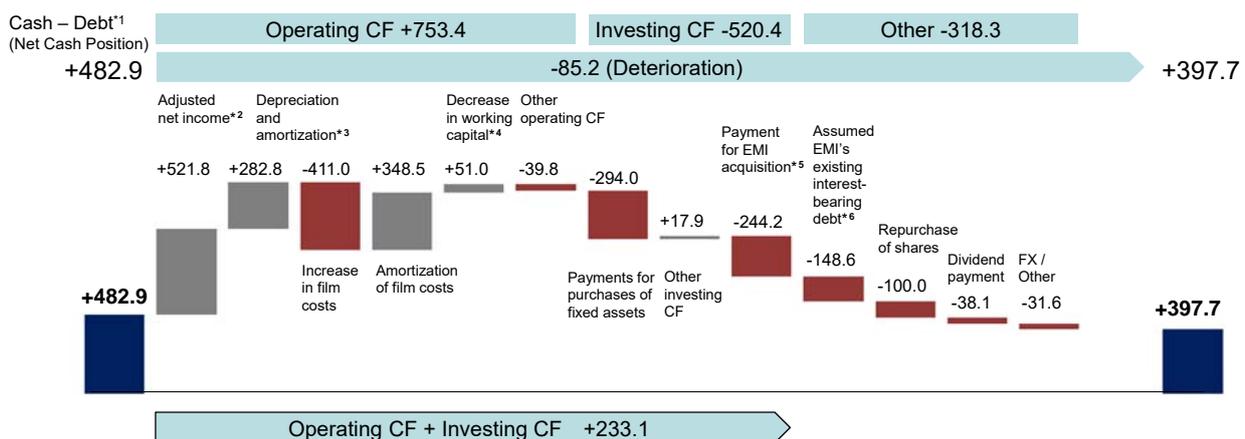
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FY2018 Cash Flow (CF) Analysis (Sony without Financial Services)

(Bln Yen)

As of March 31, 2018

As of March 31, 2019



¹ See page 28.

² This is the total of the following items contained in "FY19 Financial Statements": "Net income (loss)" + "Other operating (income) expense, net" + "(Gain) loss on marketable securities and securities investments, net" on page F-12 (Condensed Statements of Cash Flows for Sony without Financial Services), + the amount of the reversal of valuation allowances on page F-16 in "FY18 Financial Statements" (Reversal of valuation allowances of Sony Americas Holding Inc. and its U.S. consolidated tax filing group)

³ This is the item contained in "FY19 Financial Statements": "Depreciation and amortization, including amortization of deferred insurance acquisition costs and contract costs" on page F-12.

⁴ This is the total of the following items contained in "FY19 Financial Statements": "(Increase) decrease in notes, accounts receivable, trade and contract assets" + "(Increase) decrease in inventories" + "Increase (decrease) in notes and accounts payable, trade" on page F-12.

⁵ Please refer to "Payment for EMI Music Publishing acquisition, net of cash acquired" on page F-5 (Consolidated Statements of Cash Flows) of "FY18 Financial Statements".

⁶ Please refer to "Assumed EMI's existing interest-bearing debt" on page F-16 (Acquisition of EMI Music Publishing) of "FY18 Financial Statements"; note that 108.9 bln yen was repaid after assumption of the debt.

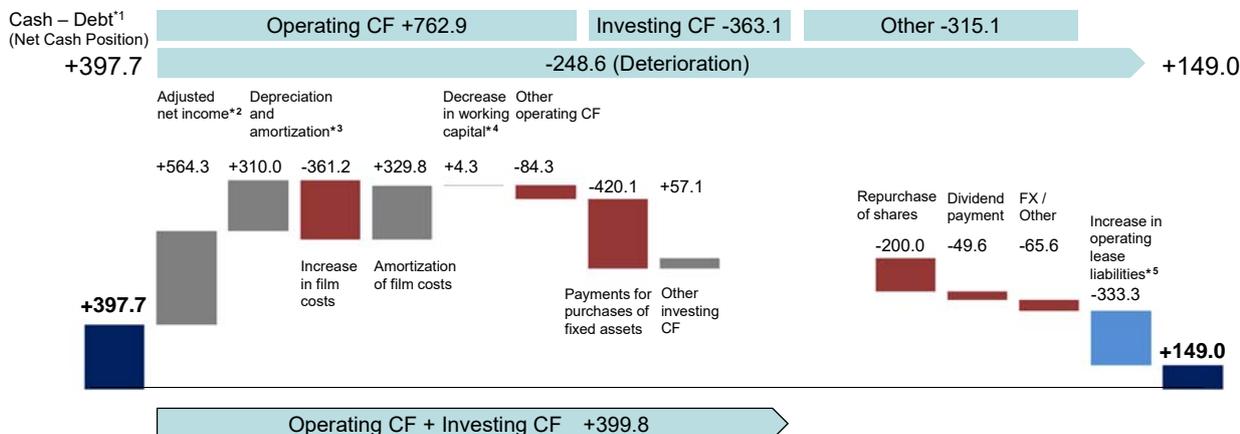
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FY2019 Cash Flow (CF) Analysis (Sony without Financial Services)

(Bln Yen)

As of March 31, 2019

As of March 31, 2020



*1 See page 28.

*2 This is the total of the following items contained in "FY19 Financial Statements": "Net income (loss)" + "Other operating (income) expense, net" + "(Gain) loss on marketable securities and securities investments, net" on page F-12 (Condensed Statements of Cash Flows for Sony without Financial Services).

*3 This is the item contained in "FY19 Financial Statements": "Depreciation and amortization, including amortization of deferred insurance acquisition costs and contract costs" on page F-12.

*4 This is the total of the following items contained in "FY19 Financial Statements": "(Increase) decrease in notes, accounts receivable, trade and contract assets" + "(Increase) decrease in inventories" + "Increase (decrease) in notes and accounts payable, trade" on page F-12.

*5 This is the total of the following items contained in "FY19 Financial Statements": "Short-term operating lease liabilities" + "Long-term operating lease liabilities" on page F-10 (Condensed balance sheets for Sony without Financial Services).

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Notes

Sales on a Constant Currency Basis and the 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 same period of the previous fiscal year to local currency-denominated monthly sales in the relevant period of the current fiscal year. For Sony Music Entertainment ("SME"), Sony/ATV Music Publishing ("Sony/ATV") and EMI Music Publishing ("EMI") in the Music 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 Pictures segment reflects the operations of Sony Pictures Entertainment Inc. ("SPE"), a U.S.-based operation that aggregates the results of its worldwide subsidiaries in U.S. dollars. Because of this, the description of the year-on-year change in sales for the Pictures segment represents the change on a U.S. dollar basis.

The impact of foreign exchange rate fluctuations on sales is calculated by applying the change in the yen's periodic weighted average exchange rate for the same period of the previous fiscal year from the relevant period of the current fiscal year to the major transactional currencies in which the sales are denominated. The impact of foreign exchange rate fluctuations 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 calculated by applying the same major transactional currencies calculation process to cost of sales and selling, general and administrative expenses as for the impact on sales. The I&SS segment enters into its own foreign exchange hedging transactions, and the impact of those transactions is included in the impact of foreign exchange rate fluctuations on operating income (loss) for that segment. Additionally, the impact of foreign exchange hedging transactions entered into by the Mobile Communications business during the previous fiscal year is included in the impact of foreign exchange rate fluctuations on operating income (loss) for the EP&S 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

On November 14, 2018, Sony acquired the entirety of the approximately 60% equity interest held by the investor consortium led by Mubadala Investment Company in EMI, resulting in EMI becoming a wholly-owned subsidiary of Sony. Financial results of EMI included in the Music segment for the fiscal year ended March 31, 2019 include equity earnings (loss) from April 1 through November 13, 2018 and sales and operating income (loss) from November 14, 2018 through March 31, 2019. Sales and operating income (loss) for the Music segment in the fiscal year ended March 31, 2020 include the financial results of EMI from April 1, 2019 onward.

The Music segment results include the yen-translated results of SME, Sony/ATV and EMI, all 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 results presented in Pictures are a yen-translation of the results of 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. ("Sony Bank"). The results of SFH and Sony Life discussed in the Financial Services segment differ from the results that these companies disclose separately on a Japanese statutory basis.

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Notes (Continued)

Assumptions for Estimated Impact Amount of the Spread of the New Coronavirus Disease on FY2019 Consolidated Operating Income

Assumptions for estimated impact amount of the spread of the new coronavirus disease on FY2019 consolidated operating income include:

- In the G&NS segment, the impact is calculated based on the difference in gross profit from sales of digitally downloaded software compared to Sony's forecast as of February 2020 (the "February Forecast"), net of the change in expenses compared to Sony's forecast for FY2019 that were related to the new coronavirus disease.
- In the Music segment, the impact is calculated based on the total decrease in gross profit from performance royalty revenues, which is royalty income from the usage of music for the music publishing business, compared to the February Forecast, determined by applying the assumed gross margin to the total decline in revenue. Also included in the calculation is profit that was expected at the time of the February Forecast from events that have been cancelled due to the new coronavirus disease, net of the decrease in expenses due to the cancellation/postponement of such events.
- In the Pictures segment, the impact is calculated based on the total decrease in gross profit resulting from decreased sales due to delays in production and delivery of television programming, also incorporating the impact of 50% of the increase in gross profit from digital sales of motion pictures as well as the decrease in advertisement expenses due to the delay in releases, all compared to the February Forecast.
- In the EP&S and I&SS segments, the impact is calculated by first identifying what amount of the difference in sales for each segment compared to the February Forecast was seemingly caused by the new coronavirus disease. The changes in marginal profit and changes in expenses, including logistics and advertisement costs, that resulted from such difference in sales are then calculated by applying the sales ratio in the February Forecast.
- In the Financial Services segment, the impact is calculated based on the total change in profit and loss resulting from market conditions, such as a deterioration in valuation gains and losses on securities at Sony Bank, and an increase in the provision of policy reserves at Sony Life, compared with the February Forecast. This calculation is based on the assumption that the market decline in Q4 was an effect of the new coronavirus disease.

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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, 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 the new coronavirus disease 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.

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