

SONY

Q3 FY2021 Consolidated Financial Results

(Three months ended December 31, 2021)

February 2, 2022

Sony Group Corporation

Q3 FY2021 Consolidated Results

	Q3 FY20	Q3 FY21	Change
			(Bln Yen)
Sales*	2,694.0	3,031.3	+337.3 bln yen (+13%)
Operating income	351.9	465.2	+113.3 bln yen (+32%)
Income before income taxes	383.8	461.6	+77.8 bln yen (+20%)
Net income attributable to Sony Group Corporation's stockholders	310.7	346.2	+35.4 bln yen (+11%)
Net income attributable to Sony Group Corporation's stockholders per share of common stock (diluted)	248.50 yen	276.65 yen	+28.15 yen
Average Rate			
1 US dollar	104.5 yen	113.7 yen	
1 Euro	124.5 yen	130.1 yen	

* Sony adopted International Financial Reporting Standards ("IFRS") starting in the three months ended June 30, 2021, in lieu of the previously applied generally accepted accounting principles in the United States. The results for the fiscal year ended March 31, 2021 are also presented in accordance with IFRS (applies to all following pages).

**Sales* is used to mean "sales and financial services revenue" in accordance with IFRS (applies to all following pages).

Q3 FY2021 Consolidated Results: Year-on-year Change

	Year-on-year Change	Contributing Factors (+) Better / (-) Worse
Sales	+337.3 bln yen +13 %	<ul style="list-style-type: none"> · (+) Significant increases in Pictures, I&SS, Financial Services and Music segments sales · (-) Decrease in G&NS and EP&S segments sales <p>On a constant currency basis*, sales increased approx. 7%</p>
Operating income	+113.3 bln yen +32 %	<ul style="list-style-type: none"> · (+) Significant increase in Pictures and I&SS segments operating income · (+) Increase in G&NS segment operating income · (-) Significant decrease in EP&S segment operating income
Income tax expense	+40.8 bln yen (Effective tax rate 19%→25%)	<ul style="list-style-type: none"> · (-) In the same quarter of the previous fiscal year, the reversal of a previous write-down of the deferred tax assets for certain research and development credits of the consolidated tax filing group in the United States was recorded

* For further details about the impact of foreign exchange rate fluctuations on sales and operating income (loss), see Note on page 22 (applies to all following pages).

| 2

Adjusted Operating Income (Q3)

	Operating Income	Adjusted Operating Income	Adjusted Operating Income excludes the following items*
Q3 FY20	351.9 bln yen	344.1 bln yen	<ul style="list-style-type: none"> ▪ Gain from the reversal of inventory write-downs of certain image sensors for mobile products previously recorded in Q2 FY20 (I&SS segment: +8.5 bln yen) ▪ Expenses related to the Sony Global Relief Fund for COVID-19 (Corporate and elimination: -0.6 bln yen)
Q3 FY21	465.2 bln yen	395.0 bln yen	<ul style="list-style-type: none"> ▪ Gain from the transfer of certain operations of Game Show Network, LLC (Pictures segment: +70.2 bln yen)
Change from FY20	+113.3 bln yen	+50.9 bln yen (+15%)	

* These monetary amounts are disclosed in the Quarterly Financial Statements, the Presentation Slides and the Quarterly Securities Reports for the relevant quarters.
Adjusted operating income is not a measure in accordance with IFRS. However, Sony believes that this disclosure may be useful information to investors.

| 3

Adjusted Income Before Income Taxes (Q3)

	Income Before Income Taxes	Adjusted Income Before Income Taxes	Adjusted Income Before Income Taxes excludes the following items*
Q3 FY20	383.8 bln yen	375.9 bln yen	<ul style="list-style-type: none"> Gain from the reversal of inventory write-downs of certain image sensors for mobile products previously recorded in Q2 FY20 (I&SS segment: +8.5 bln yen) Expenses related to the Sony Global Relief Fund for COVID-19 (Corporate and elimination: -0.6 bln yen)
Q3 FY21	461.6 bln yen	391.4 bln yen	<ul style="list-style-type: none"> Gain from the transfer of certain operations of Game Show Network, LLC (Pictures segment: +70.2 bln yen)
Change from FY20	+77.8 bln yen	+15.4 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 IFRS. However, Sony believes that this disclosure may be useful information to investors.

4

Adjusted Net Income Attributable to Sony Group Corporation's Stockholders (Q3)

	Net Income Attributable to Sony Group Corporation's Stockholders	Adjusted Net Income Attributable to Sony Group Corporation's Stockholders	Adjusted Net Income Attributable to Sony Group Corporation's Stockholders excludes the following items*
Q3 FY20	310.7 bln yen	291.1 bln yen	<ul style="list-style-type: none"> Gain from the reversal of inventory write-downs of certain image sensors for mobile products previously recorded in Q2 FY20 (I&SS segment: +8.5 bln yen) Expenses related to the Sony Global Relief Fund for COVID-19 (Corporate and elimination: -0.6 bln yen) Tax adjustment with regard to the above two items (-1.8 bln yen) Reversal of a previous write-down of the deferred tax assets for certain research and development credits of the consolidated tax filing group in the United States (+13.6 bln yen)
Q3 FY21	346.2 bln yen	293.2 bln yen	<ul style="list-style-type: none"> Gain from the transfer of certain operations of Game Show Network, LLC (Pictures segment: +70.2 bln yen) Tax adjustment with regard to the above item (-17.3 bln yen)
Change from FY20	+35.4 bln yen	+2.2 bln yen (+1%)	

* These monetary amounts are disclosed in the Quarterly Financial Statements, the Presentation Slides and the Quarterly Securities Reports for the relevant quarters.
Adjusted net income attributable to Sony Group Corporation's stockholders is not a measure in accordance with IFRS. However, Sony believes that this disclosure may be useful information to investors.

5

Adjusted Net Income Attributable to Sony Group Corporation's Stockholders (Q3)

Q3 FY20

(Bln Yen)

	Income Before Income Taxes	Taxes	Effective Tax Rate	Net Income Attributable to Sony Group Corporation's Stockholders
Financial results	383.8	72.8	19.0%	310.7
Adjusted items impacting effective tax rate				
Reversal of a previous write-down of the deferred tax assets for certain research and development credits of the consolidated tax filing group in the United States	—	+13.6	—	-13.6
Subtotal	383.8	86.4	22.5%	297.1
Other adjusted items *	-7.8	-1.8	22.5%	-6.0
Adjusted results	375.9	84.6	22.5%	291.1

Q3 FY21

	Income Before Income Taxes	Taxes	Effective Tax Rate	Net Income Attributable to Sony Group Corporation's Stockholders
Financial results	461.6	113.6	24.6%	346.2
Adjusted items impacting effective tax rate	—	—	—	—
Subtotal	461.6	113.6	24.6%	346.2
Other adjusted items *	-70.2	-17.3	24.6%	-53.0
Adjusted results	391.4	96.4	24.6%	293.2

* See page 5 for details regarding adjusted items.

Adjusted results are not a measure in accordance with IFRS. However, Sony believes that this disclosure may be useful information to investors.

| 6

Q3 FY2021 Results by Segment

(Bln Yen)

		Q3 FY20	Q3 FY21	Change	FX Impact
Game & Network Services (G&NS)	Sales	883.2	813.3	-70.0	+45.5
	Operating income	80.8	92.9	+12.1	+2.1
Music	Sales	264.5	295.9	+31.4	+16.6
	Operating income	59.1	55.1	-4.0	
Pictures	Sales	191.2	461.2	+270.1	+36.3
	Operating income	20.3	149.4	+129.1	
Electronics Products & Solutions (EP&S)	Sales	699.0	686.9	-12.1	+38.5
	Operating income	103.4	80.0	-23.3	+7.1
Imaging & Sensing Solutions (I&SS)	Sales	267.0	324.8	+57.8	+23.7
	Operating income	51.4	64.7	+13.3	+12.0
Financial Services	Revenue	423.0	471.3	+48.3	
	Operating income	39.9	35.2	-4.7	
All Other	Sales	33.2	27.4	-5.7	
	Operating income	7.0	8.2	+1.2	
Corporate and elimination	Sales	-67.1	-49.6	+17.6	
	Operating income	-9.8	-20.3	-10.5	
Consolidated total	Sales	2,694.0	3,031.3	+337.3	
	Operating income	351.9	465.2	+113.3	

Due to organizational changes as of April 1, 2021, from Q1 FY21, Sony transferred some of the businesses and functions previously included within All Other and Corporate and elimination to the EP&S segment. Sales and operating income (loss) of each segment for FY20 are presented to conform to the organizational structure for FY21 (applies to all following pages).

Sales 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).

| 7

Q1-Q3 FY2021 Consolidated Results

(Bln Yen)

	Q1-Q3 FY20	Q1-Q3 FY21	Change
Sales	6,762.0	7,657.5	+895.5 bln yen (+13%)
Operating income	888.8	1,063.7	+174.9 bln yen (+20%)
Income before income taxes	956.1	1,027.9	+71.8 bln yen (+8%)
Net income attributable to Sony Group Corporation's stockholders	962.9	771.1	-191.8 bln yen (-20%)
Net income attributable to Sony Group Corporation's stockholders per share of common stock (diluted)	770.92 yen	616.00 yen	-154.92 yen
Average rate			
1 US dollar	106.1 yen	111.1 yen	
1 Euro	122.4 yen	130.6 yen	

| 8

Adjusted Operating Income (Q1-Q3)

	Operating Income	Adjusted Operating Income	Adjusted Operating Income excludes the following items*
Q1-Q3 FY20	888.8 bln yen	889.5 bln yen	<ul style="list-style-type: none"> Gain on the sale of a portion of shares of Pledis Entertainment Co., Ltd. (Music segment: +7.2 bln yen) Gain recorded in connection with a business transfer (Music segment: +5.9 bln yen) Inventory write-downs of certain image sensors for mobile products (I&SS segment: -9.0 bln yen) Expenses related to the Sony Global Relief Fund for COVID-19 (Corporate and elimination: -4.8 bln yen)
Q1-Q3 FY21	1,063.7 bln yen	999.7 bln yen	<ul style="list-style-type: none"> Gain from the transfer of certain operations of Game Show Network, LLC (Pictures segment: +70.2 bln yen) One-time loss recorded at a subsidiary of Sony Life (Financial services segment: -16.8 bln yen) The share of profit of the investment in M3, Inc. ("M3") related to a gain on a change in M3's equity interest in an affiliated company, resulting from the issuance of new shares in connection with the affiliated company's public listing (All Other: +5.1 bln yen) Settlement gain in connection with the termination of the defined benefit pension plan at certain U.S. subsidiaries (mainly in Corporate and elimination: +5.5 bln yen)
Change from FY20	+174.9 bln yen	+110.2 bln yen (+12%)	

* These monetary amounts are disclosed in the Quarterly Financial Statements, the Presentation Slides and the Quarterly Securities Reports for the relevant quarters.
Adjusted operating income is not a measure in accordance with IFRS. However, Sony believes that this disclosure may be useful information to investors.

| 9

Adjusted Income Before Income Taxes (Q1-Q3)

	Income Before Income Taxes	Adjusted Income Before Income Taxes	Adjusted Income Before Income Taxes excludes the following items*
Q1-Q3 FY20	956.1 bln yen	956.7 bln yen	<ul style="list-style-type: none"> Gain on the sale of a portion of shares of Pledis Entertainment Co., Ltd. (Music segment: +7.2 bln yen) Gain recorded in connection with a business transfer (Music segment: +5.9 bln yen) Inventory write-downs of certain image sensors for mobile products (I&SS segment: -9.0 bln yen) Expenses related to the Sony Global Relief Fund for COVID-19 (Corporate and elimination: -4.8 bln yen)
Q1-Q3 FY21	1,027.9 bln yen	963.9 bln yen	<ul style="list-style-type: none"> Gain from the transfer of certain operations of Game Show Network, LLC (Pictures segment: +70.2 bln yen) One-time loss recorded at a subsidiary of Sony Life (Financial services segment: -16.8 bln yen) The share of profit of the investment in M3 related to a gain on a change in M3's equity interest in an affiliated company, resulting from the issuance of new shares in connection with the affiliated company's public listing (All Other: +5.1 bln yen) Settlement gain in connection with the termination of the defined benefit pension plan at certain U.S. subsidiaries (mainly in Corporate and elimination: +5.5 bln yen)
Change from FY20	+71.8 bln yen	+7.2 bln yen (+1%)	

* 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 IFRS. However, Sony believes that this disclosure may be useful information to investors.

10

Adjusted Net Income Attributable to Sony Group Corporation's Stockholders (Q1-Q3)

	Net Income Attributable to Sony Group Corporation's Stockholders	Adjusted Net Income Attributable to Sony Group Corporation's Stockholders	Adjusted Net Income Attributable to Sony Group Corporation's Stockholders excludes the following items*
Q1-Q3 FY20	962.9 bln yen	735.5 bln yen	<ul style="list-style-type: none"> Gain on the sale of a portion of shares of Pledis Entertainment Co., Ltd. (Music segment: +7.2 bln yen) Gain recorded in connection with a business transfer (Music segment: +5.9 bln yen) Inventory write-downs of certain image sensors for mobile products (I&SS segment: -9.0 bln yen) Expenses related to the Sony Global Relief Fund for COVID-19 (Corporate and elimination: -4.8 bln yen) Tax adjustment with regard to the above four items (+0.2 bln yen) Reversal of a previous write-down of a significant portion of the deferred tax assets of the consolidated tax filing group in Japan (+214.3 bln yen) Reversal of a previous write-down of the deferred tax assets for certain research and development credits of the consolidated tax filing group in the United States (+13.6 bln yen)
Q1-Q3 FY21	771.1 bln yen	722.8 bln yen	<ul style="list-style-type: none"> Gain from the transfer of certain operations of Game Show Network, LLC (Pictures segment: +70.2 bln yen) One-time loss recorded at a subsidiary of Sony Life (Financial services segment: -16.8 bln yen) The share of profit of the investment in M3 related to a gain on a change in M3's equity interest in an affiliated company, resulting from the issuance of new shares in connection with the affiliated company's public listing (All Other: +5.1 bln yen) Settlement gain in connection with the termination of the defined benefit pension plan at certain U.S. subsidiaries (mainly in Corporate and elimination: +5.5 bln yen) Tax adjustment with regard to the above four items (-15.7 bln yen)
Change from FY20	-191.8 bln yen	-12.7 bln yen (-2%)	

* These monetary amounts are disclosed in the Quarterly Financial Statements, the Presentation Slides and the Quarterly Securities Reports for the relevant quarters.
Adjusted net income attributable to Sony Group Corporation's stockholders is not a measure in accordance with IFRS. However, Sony believes that this disclosure may be useful information to investors.

11

Adjusted Net Income Attributable to Sony Group Corporation's Stockholders (Q1-Q3)

Q1-Q3 FY20

(Bln Yen)

	Income Before Income Taxes	Taxes	Effective Tax Rate	Net Income Attributable to Sony Group Corporation's Stockholders
Financial results	956.1	-20.7	-2.2%	962.9
Adjusted items impacting effective tax rate				
Reversal of a previous write-down of a significant portion of the deferred tax assets of the consolidated tax filing group in Japan	—	+214.3	—	-214.3
Reversal of a previous write-down of the deferred tax assets for certain research and development credits of the consolidated tax filing group in the United States	—	+13.6	—	-13.6
Subtotal	956.1	207.2	21.7%	735.0
Other adjusted items *	+0.7	+0.2	21.7%	+0.5
Adjusted results	956.7	207.4	21.7%	735.5

Q1-Q3 FY21

	Income Before Income Taxes	Taxes	Effective Tax Rate	Net Income Attributable to Sony Group Corporation's Stockholders
Financial results	1,027.9	252.4	24.6%	771.1
Adjusted items impacting effective tax rate	—	—	—	—
Subtotal	1,027.9	252.4	24.6%	771.1
Other adjusted items *	-64.0	-15.7	24.6%	-48.3
Adjusted results	963.9	236.7	24.6%	722.8

* See page 11 for details regarding adjusted items.

Adjusted results are not a measure in accordance with IFRS. However, Sony believes that this disclosure may be useful information to investors.

12

Q1-Q3 FY2021 Results by Segment

(Bln Yen)

		Q1-Q3 FY20	Q1-Q3 FY21	Change	FX Impact
Game & Network Services (G&NS)	Sales	1,996.0	2,074.5	+78.5	+91.7
	Operating income	310.0	258.8	-51.2	+15.2
Music	Sales	672.4	822.4	+149.9	+25.9
	Operating income	149.0	161.1	+12.1	
Pictures	Sales	552.8	926.7	+373.9	+48.7
	Operating income	80.1	206.4	+126.2	
Electronics Products & Solutions (EP&S)	Sales	1,593.8	1,845.1	+251.3	+82.1
	Operating income	147.9	224.5	+76.6	+27.9
Imaging & Sensing Solutions (I&SS)	Sales	780.3	821.1	+40.8	+36.1
	Operating income	128.3	144.9	+16.5	+9.8
Financial Services	Revenue	1,234.4	1,254.1	+19.8	
	Operating income	112.9	102.3	-10.6	
All Other	Sales	81.4	73.9	-7.5	
	Operating income	12.0	21.0	+8.9	
Corporate and elimination	Sales	-149.1	-160.3	-11.2	
	Operating income	-51.4	-55.1	-3.7	
Consolidated total	Sales	6,762.0	7,657.5	+895.5	
	Operating income	888.8	1,063.7	+174.9	

13

FY2021 Consolidated Results Forecast

(Bln Yen)

	FY20	FY21 October FCT	FY21 February FCT	Change from October FCT
Sales	8,998.7	9,900	9,900	-
Operating income	955.3	1,040	1,200	+160 bln yen (+15%)
Income before income taxes	998.0	990	1,155	+165 bln yen (+17%)
Net income attributable to Sony Group Corporation's stockholders	1,029.6	730	860	+130 bln yen (+18%)
Operating Cash Flow (Sony without Financial Services)	1,150.3	890	940	+50 bln yen (+6%)
Average rate	Actual	Assumption (Q3-Q4 FY21)	Assumption (Q4 FY21)	Dividend per Share
1 US dollar	106.1 yen	Approx. 111 yen	Approx. 113 yen	Interim 30 yen
1 Euro	123.7 yen	Approx. 130 yen	Approx. 128 yen	Year-end(Planned) 35 yen
				Full year(Planned) 65 yen

Consolidated Operating Cash Flow (Sony without Financial Services) is not a measure in accordance with IFRS. However, Sony believes that this disclosure may be useful information to investors.

14

FY2021 Results Forecast by Segment

(Bln Yen)

		FY20	FY21 October FCT	FY21 February FCT	Change from October FCT
Game & Network Services (G&NS)	Sales	2,656.3	2,900	2,730	-170
	Operating income	341.7	325	345	+20
Music	Sales	939.9	1,070	1,090	+20
	Operating income	184.8	200	205	+5
Pictures	Sales	753.0	1,180	1,220	+40
	Operating income	79.9	108	205	+97
Electronics Products & Solutions (EP&S)	Sales	2,068.1	2,280	2,360	+80
	Operating income	127.9	190	210	+20
Imaging & Sensing Solutions (I&SS)	Sales	1,012.5	1,100	1,070	-30
	Operating income	145.9	150	150	-
Financial Services	Revenue	1,674.0	1,490	1,610	+120
	Operating income	154.8	153	153	-
All Other, Corporate and elimination	Operating income	-79.6	-86	-68	+18
Consolidated total	Sales	8,998.7	9,900	9,900	-
	Operating income	955.3	1,040	1,200	+160

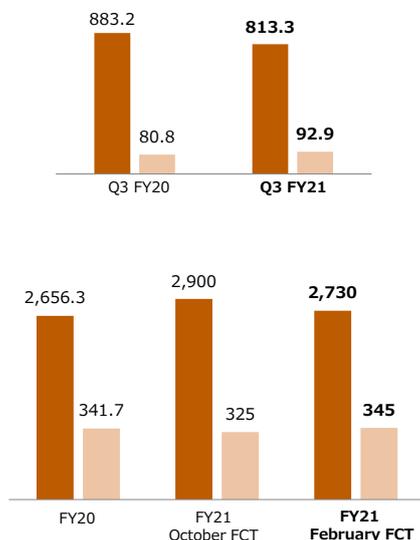
15

Game & Network Services Segment (G&NS Segment)

Sales and Operating Income

■ Sales
■ Operating Income

(Bln Yen)



Q3 FY2021 (year-on-year)

- Sales: 70.0 bln yen (8%) decrease (FX Impact: +45.5 bln yen)
 - (-) Decrease in sales of hardware and peripheral devices
 - (-) Decrease in sales of non-first-party titles including add-on content
 - (-) Decrease in sales of first-party titles
 - (+) Impact of foreign exchange rates
- OI: 12.1 bln yen increase (FX Impact: +2.1 bln yen)
 - (+) Decrease in selling, general and administrative expenses
 - (+) Decrease in loss resulting from strategic price points for PlayStation®5 (PS5™) hardware that were set lower than manufacturing costs
 - (-) Impact of decrease in sales of first-party titles
 - (-) Impact of decrease in sales of non-first-party titles including add-on content
 - (-) Impact of decrease in unit sales of peripheral devices and PlayStation®4 hardware

FY2021 Forecast (change from October forecast)

- Sales: 170 bln yen (6%) downward revision
 - (-) Lower-than-expected PS5™ hardware unit sales
- OI: 20 bln yen upward revision
 - (+) Decrease in selling, general and administrative expenses

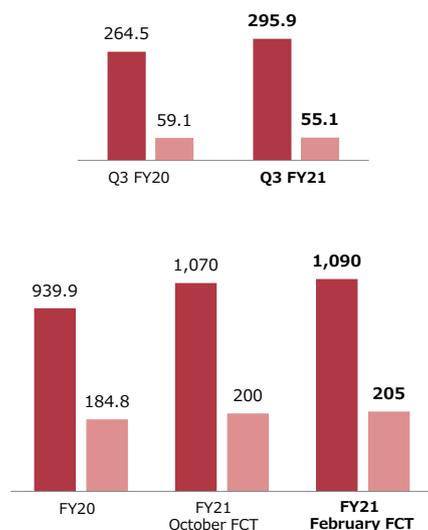
16

Music Segment

Sales and Operating Income

■ Sales
■ Operating Income

(Bln Yen)



Q3 FY2021 (year-on-year)

- Sales: 31.4 bln yen (12%) significant increase (FX Impact: +16.6 bln yen)
 - (+) Higher sales for Recorded Music and Music Publishing from paid subscription streaming services and advertising-supported streaming services
 - (+) Impact of foreign exchange rates
 - (-) Lower sales for Visual Media and Platform
 - (-) Lower anime business sales primarily reflecting the absence of contribution of *Demon Slayer – Kimetsu no Yaiba – the Movie: Mugen Train* in Q3 FY20
 - (-) Lower sales of game applications for mobile devices
- OI: 4.0 bln yen decrease
 - (-) Impact of decrease in sales for Visual Media and Platform
 - (+) Impact of increase in sales for Recorded Music
 - (+) Positive impact of foreign exchange rates

FY2021 Forecast (change from October forecast)

- Sales: 20 bln yen (2%) upward revision
 - (+) Higher sales for Visual Media and Platform
 - (+) Higher sales of game applications for mobile devices
 - (+) Higher licensing revenue in anime business
 - (+) Impact of foreign exchange rates
- OI: 5 bln yen upward revision
 - (+) Impact of increase in sales

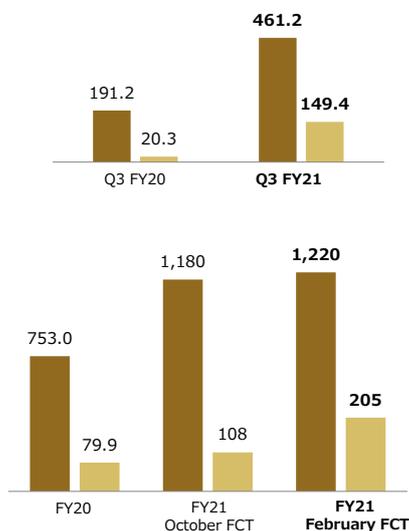
17

Pictures Segment

Sales and Operating Income

■ Sales
■ Operating Income

(Bln Yen)



Q3 FY2021 (year-on-year)

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

- Sales: 270.1 bln yen (141%) significant increase (U.S. dollar basis: 2,234 mil USD / 122%)
 - (+) Increase in theatrical revenues primarily due to the contribution of *Spider-Man: No Way Home* and *Venom: Let There Be Carnage*
 - (+) Higher sales for Television Productions due to the licensing of *Seinfeld*
 - (+) Higher sales for Media Networks resulting from the Crunchyroll acquisition
- OI: 129.1 bln yen significant increase
 - (+) Gain from the transfer of GSN Games business (70.2 bln yen)
 - (+) Impact of increase in sales
 - (-) Increase in marketing costs in Motion Pictures for current year theatrical releases

FY2021 Forecast (change from October forecast)

- Sales: 40 bln yen (3%) upward revision
 - (+) Strong theatrical performance of above-mentioned titles in Motion Pictures
- OI: 97 bln yen upward revision
 - (+) Gain from the transfer of GSN Games business (70.2 bln yen)
 - (+) Impact of increase in sales in Motion Pictures

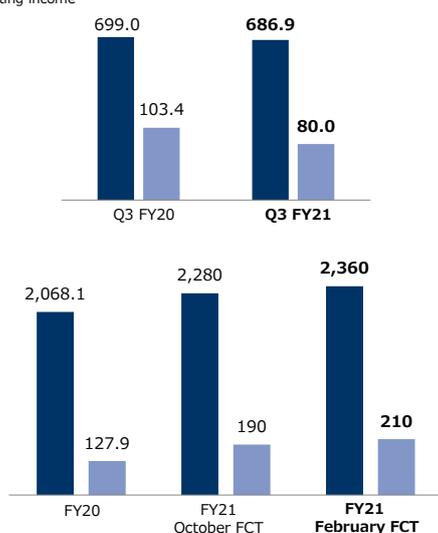
18

Electronics Products & Solutions Segment (EP&S Segment)

Sales and Operating Income

■ Sales
■ Operating income

(Bln Yen)



Q3 FY2021 (year-on-year)

- Sales: 12.1 bln yen (2%) decrease (FX Impact: +38.5 bln yen)
 - (-) Decrease in sales of Audio and Video, digital cameras and smartphones due to a decrease in unit sales
 - (+) Impact of foreign exchange rates
- OI: 23.3 bln yen significant decrease (FX Impact: +7.1 bln yen)
 - (-) Impact of decreases in unit sales of digital cameras, televisions and Audio and Video
 - (+) Positive impact of foreign exchange rates
 - (+) Improvement in the product mix of digital cameras

FY2021 Forecast (change from October forecast)

- Sales: 80 bln yen (4%) upward revision
 - (+) Higher-than-expected sales of televisions due to an improvement in the product mix
 - (+) Impact of foreign exchange rates
- OI: 20 bln yen upward revision
 - (+) Improvement in the product mix of digital cameras and other products
 - (+) Decrease in operating expenses
 - (-) Impact of decrease in unit sales of digital cameras, televisions and smartphones

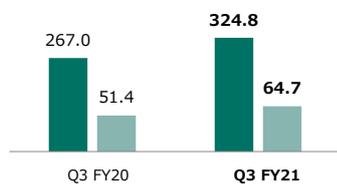
19

Imaging & Sensing Solutions Segment (I&SS Segment)

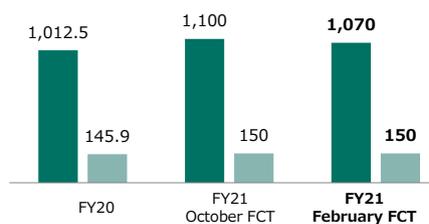
Sales and Operating Income

■ Sales
■ Operating Income

(Bln Yen)



	Q3 FY20	Q3 FY21
Image Sensors Sales	226.7	291.8



	FY20	FY21 October FCT	FY21 February FCT
Image Sensors Sales	872.2	960	940
Additions to long-lived assets for I&SS Segment	194.0	295	270
for Image Sensors (included above)	180.0	275	250

Q3 FY2021 (year-on-year)

- Sales: 57.8 bln yen (22%) significant increase (FX Impact: +23.7 bln yen)
 - (+) Increase in sales of image sensors for mobile products
 - (+) Increase in unit sales
 - (+) Improvement in the product mix
 - (+) Impact of foreign exchange rates
- OI: 13.3 bln yen significant increase (FX Impact: +12.0 bln yen)
 - (+) Impact of increase in sales
 - (+) Positive impact of foreign exchange rates
 - (-) Increase in research and development expenses as well as depreciation and amortization expenses
 - (-) Absence of gain recorded in Q3 FY20 from the reversal of inventory write-downs of certain image sensors for mobile products (8.5 bln yen)

FY2021 Forecast (change from October forecast)

- Sales: 30 bil yen (3%) downward revision
 - (-) Lower-than-expected sales of image sensors for mobile products
 - (-) Lower-than-expected sales in businesses other than image sensors
- OI: Remain unchanged from October forecast
 - (+) Positive impact of foreign exchange rates
 - (-) Impact of lower-than-expected sales

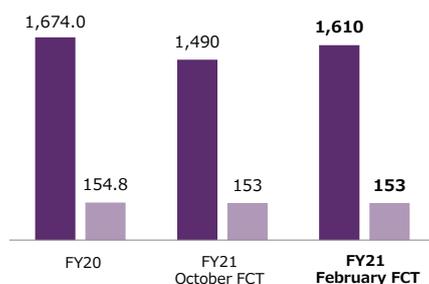
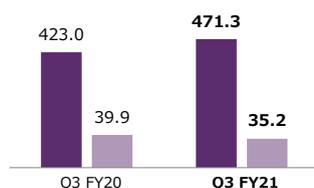
20

Financial Services Segment

Financial Services Revenue and Operating Income

■ Financial Services Revenue
■ Operating Income

(Bln Yen)



Q3 FY2021 (year-on-year)

- Revenue: 48.3 bln yen (11%) significant increase
 - (+) Increase in revenue at Sony Life*1 (53.0 bln yen increase, revenue: 425.1 bln yen)
 - (+) Increase in net gains on investments in the separate accounts
- OI: 4.7 bln yen decrease
 - (-) Deterioration in valuation gains and losses on securities in the venture capital business
 - (-) Deterioration in valuation gains and losses on securities at Sony Bank
 - (-) Decrease in OI at Sony Life (1.3 bln yen decrease, OI: 30.9 bln yen)
 - (-) Deterioration in net gains and losses related to market fluctuations for variable life insurance and other products*2
 - (+) Higher insurance premium revenue reflecting an increase in the policy amount in force
 - (+) Improvement in foreign exchange gains and losses in U.S. dollar-denominated insurance

FY2021 Forecast (change from October forecast)

- Revenue: 120 bln yen (8%) upward revision
 - (+) Increase in net gains on investments in the separate accounts at Sony Life
- OI: Remain unchanged from October forecast

*1 Sony Life merged with its subsidiary which is engaged in the annuity business as of April 1, 2021. Due to the merger, from FY2021, the revenue at this subsidiary is included in the revenue at Sony Life. Excluding the impact of the above merger, the revenue at Sony Life increased 41.0 billion yen year-on-year.

*2 Overall improvement in the provision of policy reserves for minimum guarantees for variable life insurance and other products resulting from market fluctuations, and net gains and losses on derivative transactions to hedge market risks.

21

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") and Sony Music Publishing LLC ("SMP") 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.

Results for the Pictures segment are described on a U.S. dollar basis as 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.

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.

This information is not a substitute for Sony's consolidated financial statements measured in accordance with IFRS. 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-based results of Sony Music Entertainment (Japan) Inc. and the yen-translated results of SME and SMP, which aggregate the results of their worldwide subsidiaries on a U.S. dollar basis.

The Pictures segment results are the yen-translated results of SPE, which 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 Group Inc. ("SFGI") and SFGI'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 SFGI and Sony Life disclose separately on a Japanese statutory basis. On October 1, 2021, SFGI changed its company name from Sony Financial Holdings Inc.

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) 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 COVID-19 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.