SONY

# FY2021 Consolidated Financial Results

(Fiscal year ended March 31, 2022)

May 10, 2022

## Sony Group Corporation

Please be aware that, in the following remarks, statements made with respect to Sony's current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of Sony. These statements are based on management's assumptions in light of the information currently available to it, and, therefore, you should not place undue reliance on them.
Sony cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements.
For additional information as to risks and uncertainties, as well as other factors that could cause actual results to differ, please refer to today's press release, which can be accessed by visiting www.sony.com/en/SonyInfo/IR.

- FY2021 Consolidated Financial Results and FY2022 Consolidated Results Forecast
- Segments Outlook
- Progress of Fourth Mid-Range Plan and Capital Allocation

- Today, I will start by talking about the situation in Ukraine and Russia.
- First, I want to express my deepest sympathies to the victims of the conflict.
- I hope that the conflict will be resolved as soon as possible, and that peace will be restored.
- Our business scale in Ukraine and Russia was about 0.7% of consolidated sales in the fiscal year ended March 31, 2022 (“FY21”), and, although these regions have minimal impact on our financial performance, we are monitoring the impact of the situation on the global economy going forward.
- Now I will discuss the following three topics: the consolidated results for FY21 and the consolidated results forecast for the fiscal year ending March 31, 2023 (“FY22”), the state of each of our business segments and the progress of our fourth mid-range plan and the progress of our capital allocation strategy.

## FY2021 Consolidated Results

(Bln Yen)

| | FY20 | FY21 | Change |
|---|---|---|---|
| Sales*1 | 8,998.7 | **9,921.5** | +922.9 bln yen (+10%) |
| Operating income | 955.3 | **1,202.3** | +247.1 bln yen (+26%) |
| Income before income taxes | 998.0 | **1,117.5** | +119.5 bln yen (+12%) |
| Net income attributable to Sony Group Corporation's stockholders | 1,029.6 | **882.2** | -147.4 bln yen (-14%) |
| Net income attributable to Sony Group Corporation's stockholders per share of common stock (diluted) | 823.77 yen | **705.16 yen** | -118.61 yen |
| Sony without Financial Services*2 | | | |
| Operating Cash Flow | +1,150.3 | **+813.3** | -337.0 bln yen |
| Investing Cash Flow | -542.2 | **-711.1** | -169.0 bln yen |
| Free Cash Flow (Operating CF + Investing CF) | +608.1 | **+102.1** | -506.0 bln yen |
| Average Rate | | | |
| 1 US dollar | 106.1 yen | **112.3 yen** | |
| 1 Euro | 123.7 yen | **130.5 yen** | |

| Dividend per Share | |
|---|---|
| **Interim** | 30 yen |
| **Year-end** | 35 yen |
| **Full year** | **65 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 ("US GAAP"). The results for the fiscal year ended March 31, 2021 are also presented in accordance with IFRS (applies to all following pages).

*1 "Sales" is used to mean "sales and financial services revenue" in accordance with IFRS (applies to all following pages).
*2 See page F-12 in "FY21 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 IFRS. However, Sony believes that this disclosure may be useful information to investors.*

- FY21 consolidated sales increased 10% compared to the previous fiscal year ("year-on-year") to 9 trillion 921.5 billion yen, and consolidated operating income increased 247.1 billion yen to 1 trillion 202.3 billion yen, both of which were record highs.

- Income before income taxes increased 119.5 billion yen to 1 trillion 117.5 billion yen and net income attributable to Sony Group Corporation's shareholders was 882.2 billion yen, a 147.4 billion yen decrease compared to the previous fiscal year in which 256.8 billion yen in reversals of valuation allowances against deferred tax assets were recorded.

- See pages 4 to 10 of the presentation materials for a depiction of each profit metric adjusted to exclude one-time items.

- Consolidated operating cash flow excluding the Financial Services segment was 813.3 billion yen.

# FY2021 Cash Flow (CF) by Segment (Sony without Financial Services)

(Bln Yen)

| Segment | | FY20 | FY21 |
|---|---|---|---|
| Game & Network Services (G&NS) | Operating CF | +435.8 | **+247.5** |
| | Investing CF | -67.9 | **-91.6** |
| | Free CF*1 | +367.9 | **+155.9** |
| Music | Operating CF | +128.9 | **+66.1** |
| | Investing CF | -33.7 | **-174.9** |
| | Free CF | +95.2 | **-108.8** |
| Pictures | Operating CF | +134.7 | **+185.7** |
| | Investing CF | -30.4 | **-83.7** |
| | Free CF | +104.3 | **+102.1** |
| Electronics Products & Solutions (EP&S) *2 | Operating CF | +188.8 | **+157.2** |
| | Investing CF | -90.0 | **-92.7** |
| | Free CF | +98.8 | **+64.6** |
| Imaging & Sensing Solutions (I&SS) | Operating CF | +232.0 | **+167.7** |
| | Investing CF | -280.9 | **-258.9** |
| | Free CF | -48.9 | **-91.2** |
| All Other, Corporate and elimination and Adjustment *3 | Operating CF | +30.0 | **-10.9** |
| | Investing CF | -39.3 | **-9.3** |
| | Free CF | -9.4 | **-20.2** |
| Consolidated total without Financial Services | Operating CF | +1,150.3 | **+813.3** |
| | Investing CF | -542.2 | **-711.1** |
| | Free CF | +608.0 | **+102.2** |

- 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. Operating CF and Investing CF of each segment for FY20 are presented to conform to the organizational structure for FY21 (applies to all following pages).
- The calculation of Operating CF, Investing CF and Free CF for each segment differs from the calculation of the Statement of Cash Flows for Sony without Financial Services (See page F-19 of "FY21 Financial Statements") as follows:
  - Increases and decreases in restricted cash held by each segment are excluded from Operating CF
  - Increases and decreases in fixed-term deposits held by each segment are excluded from Investing CF
  - Expenditures for leases are included in Investing CF (instead of Financial CF)

  These result in the following amounts being adjusted in each of the Operating CF and the Investing CF figures shown above:
  (FY20 Operating CF) Pictures: -1.2 bln yen, All Other and Corporate and elimination: -1.1 bln yen, Adjustment*3 2.3 bln yen
  (FY20 Investing CF) G&NS: -11.2 bln yen, Music: -11.8 bln yen, Pictures: -7.0 bln yen, EP&S: -24.2 bln yen, I&SS: -9.1 bln yen, All Other and Corporate and elimination: -2.8 bln yen, Adjustment*3 66.0 bln yen
  (FY21 Investing CF) G&NS: -13.0 bln yen, Music: 1.5 bln yen, Pictures: -5.8 bln yen, EP&S: -27.1 bln yen, I&SS: -11.5 bln yen, All Other and Corporate and elimination: -0.1 bln yen, Adjustment*3 56.0 bln yen

*1 Free CF is the total of Operating CF and Investing CF.
*2 The former Electronics Products & Solutions (EP&S) segment has been renamed the Entertainment, Technology & Services (ET&S) segment effective from April 2022. This change has not resulted in any reclassification of businesses across segments.
*3 "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 IFRS. However, Sony believes that this disclosure may be useful information to investors.*

- The actual cash flow by segment is shown on this slide.

## FY2021 Results by Segment

(Bln Yen)

| | | FY20 | FY21 | Change | FX Impact |
|---|---|---|---|---|---|
| **Game & Network Services (G&NS)** | Sales | 2,656.3 | **2,739.8** | +83.5 | +124.5 |
| | Operating income | 341.7 | **346.1** | +4.4 | +15.7 |
| **Music** | Sales | 939.9 | **1,116.9** | +177.1 | +42.8 |
| | Operating income | 184.8 | **210.9** | +26.1 | |
| **Pictures** | Sales | 753.0 | **1,238.9** | +485.9 | +76.2 |
| | Operating income | 79.9 | **217.4** | +137.5 | |
| **Electronics Products & Solutions (EP&S)*** | Sales | 2,068.1 | **2,339.2** | +271.1 | +103.8 |
| | Operating income | 127.9 | **212.9** | +85.1 | +27.2 |
| **Imaging & Sensing Solutions (I&SS)** | Sales | 1,012.5 | **1,076.4** | +63.9 | +55.5 |
| | Operating income | 145.9 | **155.6** | +9.7 | +18.5 |
| **Financial Services** | Revenue | 1,674.0 | **1,533.8** | -140.2 | |
| | Operating income | 154.8 | **150.1** | -4.7 | |
| **All Other** | Sales | 100.7 | **98.8** | -2.0 | |
| | Operating income | 7.2 | **18.0** | +10.8 | |
| **Corporate and elimination** | Sales | -205.8 | **-222.3** | -16.5 | |
| | Operating income | -86.8 | **-108.7** | -21.9 | |
| **Consolidated total** | Sales | 8,998.7 | **9,921.5** | +922.9 | |
| | Operating income | 955.3 | **1,202.3** | +247.1 | |

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).

* The former Electronics Products & Solutions (EP&S) segment has been renamed the Entertainment, Technology & Services (ET&S) segment effective from April 2022. This change has not resulted in any reclassification of businesses across segments.

- This slide shows the results by segment for FY21.

## FY2022 Consolidated Results Forecast

(Bln Yen)

| | FY20 | FY21 | FY22 FCT | Change from FY21 |
|---|---|---|---|---|
| Sales | 8,998.7 | 9,921.5 | **11,400** | +1,478.5 bln yen (+15%) |
| Operating income | 955.3 | 1,202.3 | **1,160** | -42.3 bln yen (-4%) |
| Income before income taxes | 998.0 | 1,117.5 | **1,130** | +12.5 bln yen (+1%) |
| Net income attributable to Sony Group Corporation's stockholders | 1,029.6 | 882.2 | **830** | -52.2 bln yen (-6%) |
| Operating Cash Flow (Sony without Financial Services) | 1,150.3 | 813.3 | **1,050** | +236.7 bln yen (+29%) |

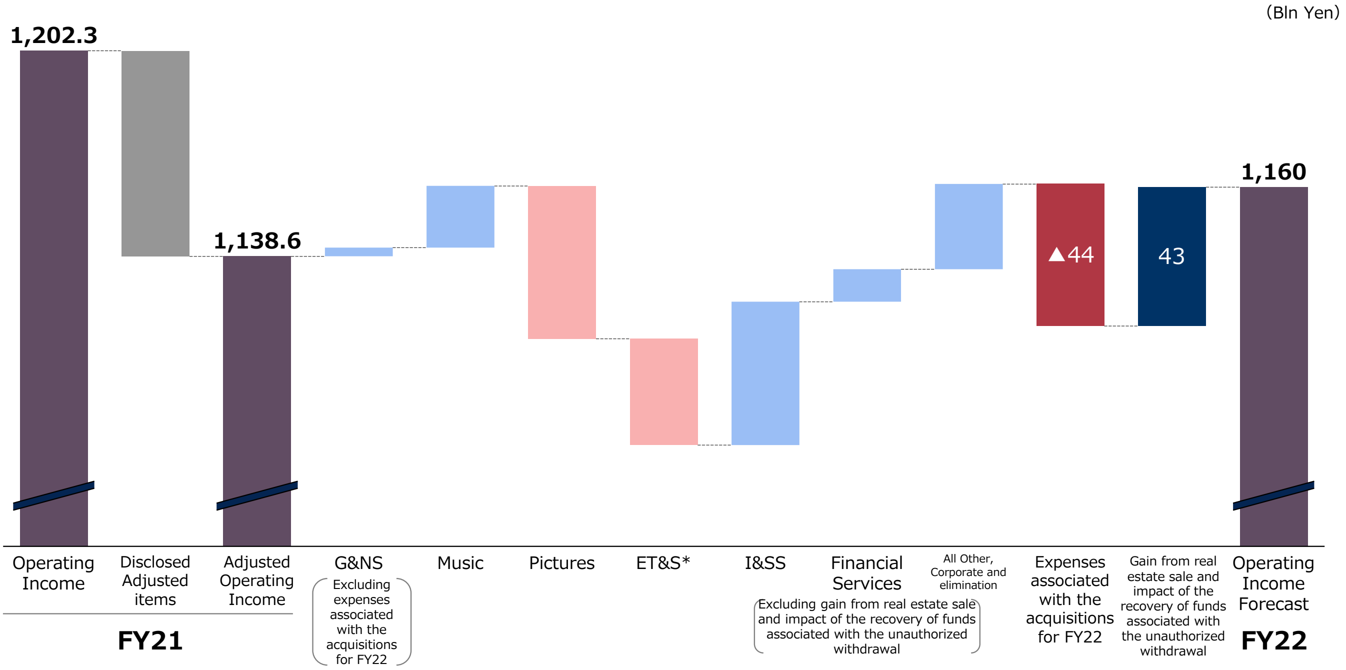
| Average rate | Actual | Actual | Assumption |
|---|---|---|---|
| 1 US dollar | 106.1 yen | 112.3 yen | Approx. 123 yen |
| 1 Euro | 123.7 yen | 130.5 yen | Approx. 135 yen |

| Dividend per Share (Planned) | |
|---|---|
| **Interim** | 35 yen |
| **Year-end** | Undecided |

*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.*

- Next, I will show the consolidated results forecast for FY22.
- Sales are expected to be 11 trillion 400 billion yen and operating income is expected to be 1 trillion 160 billion yen.

## Operating Income Forecast Change from FY21




This chart shows changing factors incorporated in the operating income forecast for FY22 by segment based on the adjusted operating income for FY21. The expenses associated with the acquisitions which are expected to be closed within FY22, including Bungie, Inc., in the G&NS segment, and the gain from real estate sale and the impact of the recovery of funds associated with the unauthorized withdrawal in the Financial Services segment, are disclosed as separate items without being included in the changing factors in these segments. For details of the operating income forecast for FY22 of each segment, please see page 16 of the Presentation Slides.

Adjusted operating income is not a measure in accordance with IFRS. However, Sony believes that this disclosure may be useful information to investors. See page 4 of the Presentation Slides for details regarding adjusted items.

* The former Electronics Products & Solutions (EP&S) segment has been renamed the Entertainment, Technology & Services (ET&S) segment effective from April 2022. This change has not resulted in any reclassification of businesses across segments.

- This slide shows the factors leading to the change in forecasted operating income compared to the actual operating income of the previous fiscal year.

## FY2022 Consolidated Results Forecast

(Bln Yen)

| | FY20 | FY21 | FY22 FCT | Change from FY21 |
|---|---|---|---|---|
| Sales | 8,998.7 | 9,921.5 | **11,400** | +1,478.5 bln yen (+15%) |
| Operating income | 955.3 | 1,202.3 | **1,160** | -42.3 bln yen (-4%) |
| Income before income taxes | 998.0 | 1,117.5 | **1,130** | +12.5 bln yen (+1%) |
| Net income attributable to Sony Group Corporation's stockholders | 1,029.6 | 882.2 | **830** | -52.2 bln yen (-6%) |
| Operating Cash Flow (Sony without Financial Services) | 1,150.3 | 813.3 | **1,050** | +236.7 bln yen (+29%) |

| Average rate | Actual | Actual | Assumption |
|---|---|---|---|
| 1 US dollar | 106.1 yen | 112.3 yen | Approx. 123 yen |
| 1 Euro | 123.7 yen | 130.5 yen | Approx. 135 yen |

| Dividend per Share (Planned) | |
|---|---|
| **Interim** | 35 yen |
| **Year-end** | Undecided |

*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.*

- Consolidated operating cash flow excluding the Financial Services segment is expected to be 1 trillion 50 billion yen.
- The assumed foreign currency exchange rates are 123 yen to the U.S. dollar and 135 yen to the Euro.
- A one yen depreciation against the U.S. dollar is estimated to have an approximately 1 billion yen positive impact on operating income for the year and a one yen depreciation against the Euro is estimated to have an approximately 7 billion yen positive impact for the year.
- Our forecast is based on assumptions such as the projected growth rate of the global economy published by the International Monetary Fund in January, and it incorporates as much as possible recent major risks, such as the direct impact of the situation in Ukraine and Russia and the impact of COVID-19 in China.

## FY2022 Results Forecast by Segment

(Bln Yen)

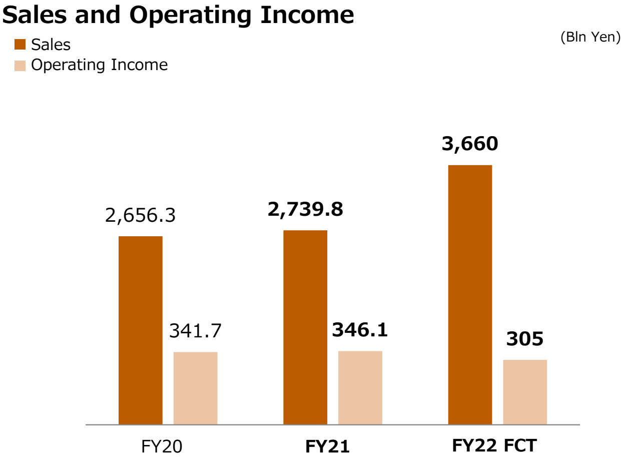
| Segment | | FY20 | FY21 | FY22 FCT | Change from FY21 |
|---|---|---|---|---|---|
| **Game & Network Services (G&NS)** | Sales | 2,656.3 | 2,739.8 | **3,660** | +920.2 |
| | Operating income | 341.7 | 346.1 | **305** | -41.1 |
| **Music** | Sales | 939.9 | 1,116.9 | **1,240** | +123.1 |
| | Operating income | 184.8 | 210.9 | **230** | +19.1 |
| **Pictures** | Sales | 753.0 | 1,238.9 | **1,330** | +91.1 |
| | Operating income | 79.9 | 217.4 | **100** | -117.4 |
| **Entertainment, Technology & Services (ET&S)** * | Sales | 2,068.1 | 2,339.2 | **2,400** | +60.8 |
| | Operating income | 127.9 | 212.9 | **180** | -32.9 |
| **Imaging & Sensing Solutions (I&SS)** | Sales | 1,012.5 | 1,076.4 | **1,470** | +393.6 |
| | Operating income | 145.9 | 155.6 | **200** | +44.4 |
| **Financial Services** | Revenue | 1,674.0 | 1,533.8 | **1,440** | -93.8 |
| | Operating income | 154.8 | 150.1 | **220** | +69.9 |
| **All Other, Corporate and elimination** | Operating income | -79.6 | -90.7 | **-75** | +15.7 |
| **Consolidated total** | Sales | 8,998.7 | 9,921.5 | **11,400** | +1,478.5 |
| | Operating income | 955.3 | 1,202.3 | **1,160** | -42.3 |

* The former Electronics Products & Solutions (EP&S) segment has been renamed the Entertainment, Technology & Services (ET&S) segment effective from April 2022. This change has not resulted in any reclassification of businesses across segments.

- This slide shows our forecast by segment for FY22.
- I will now explain the situation in each of our business segments.

# Game & Network Services Segment (G&NS Segment)

## Sales and Operating Income




**FY2021** **(year-on-year)**

- Sales: 83.5 bln yen (3%) increase (FX Impact: +124.5 bln yen)
  - ·(+) Impact of foreign exchange rates
  - ·(+) Increase in sales of hardware
  - ·(−) Decrease in software sales, mainly from non-first-party titles including add-on content
- OI: Essentially flat (FX Impact: +15.7 bln yen)
  - ·(+) Decrease in loss resulting from strategic price points for PlayStation®5 hardware that were set lower than manufacturing costs
  - ·(−) Impact of decrease in sales of non-first-party titles including add-on content

**FY2022 Forecast** **(year-on-year)**

- Sales: 920.2 bln yen (34%) significant increase
  - ·(+) Increase in sales of hardware and peripheral devices
  - ·(+) Increase in sales of non-first-party titles including add-on content
  - ·(+) Impact of foreign exchange rates
- OI: 41.1 bln yen decrease
  - ·(−) Increase in costs, mainly for game software development at existing studios
  - ·(−) Recording of expenses* (approx. 44 bln yen) associated with acquisitions expected to be completed in FY22, including Bungie, Inc.
  - ·(+) Impact of increase in sales of non-first-party titles including add-on content
  - ·(+) Impact of increase in sales of first-party titles

* Sony has included the estimated impact of these acquisitions based on certain assumptions in the forecast for FY22. However, the actual amount of expenses associated with the acquisitions to be recorded in FY22 is subject to change depending on the completion timing and the accounting treatment as of the completion date.

- First is the Game & Network Services segment.
- FY21 sales increased 3% year-on-year to 2 trillion 739.8 billion yen.
- Operating income increased 4.4 billion yen year-on-year to 346.1 billion yen primarily due to improvements in the profitability of PlayStation®5 ("PS5™") hardware, despite the impact of lower sales of non-first party software.
- FY22 sales are expected to increase a significant 34% year-on-year to 3 trillion 660 billion yen due to an expected increase in sales in all categories.
- Operating income is expected to decrease 41.1 billion yen year-on-year to 305 billion yen.
- This forecast is based on the assumption that the acquisition of Bungie, Inc. ("Bungie"), which is currently under review by the relevant authority, will close in the third quarter ending December 31, 2022.
- Excluding the approximately 44 billion yen in expenses associated with acquisitions including Bungie, operating income is estimated to be essentially flat year-on-year.
- In addition, we plan to increase software development expenses aimed at strengthening first party software at our existing studios by approximately 40 billion yen year-on-year, and we have incorporated that impact into this forecast.
- Our unit sales forecast for PS5™ hardware is 18 million units, a number based on our current visibility into parts procurement.

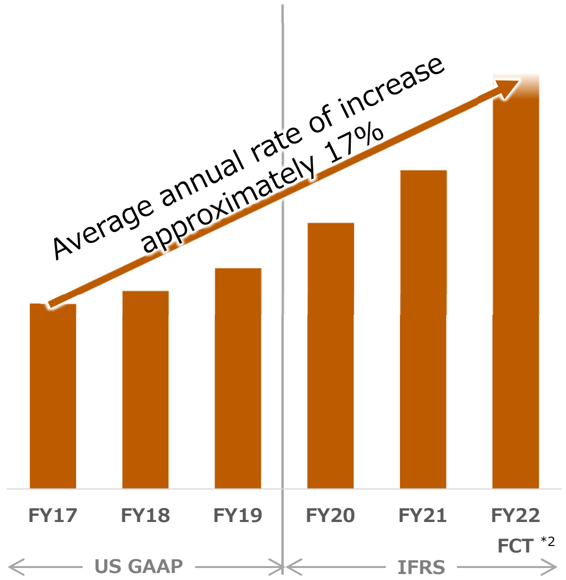
# Strengthening Our Content Development Capability

- In order to strengthen our content development capabilities further, we entered into a definitive agreement this March to acquire Haven Entertainment Studios (“Haven”), in addition to our acquisition of Bungie.

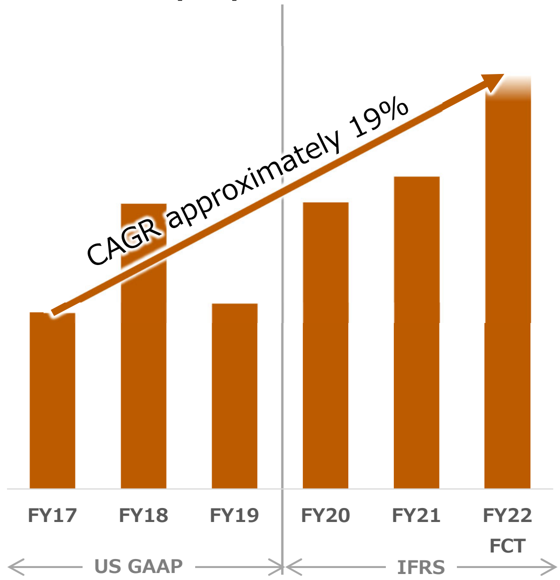
- Haven is a studio founded by Jade Raymond, one of the primary creators of the blockbuster *Assassin’s Creed* franchise. The studio has gathered many excellent developers in Montreal, Canada, known as a haven for game development, and it is currently developing a new game title.

## Strengthening Our Content Development Capability

### Change in content development expenses *1




### Growth in sales of first-party titles + Sales for multiple platforms *3




Content development expenses, sales of first-party titles, and sales for multiple platforms on this slide are based on US GAAP for the period between FY17 and FY19, and on IFRS for the period after FY20. Sony believes that the difference between US GAAP and IFRS for these items during the above period is not material to Sony. The average annual rate of increase and CAGR are calculated as a simple comparison between the FY17 result based on US GAAP and the FY22 forecast based on IFRS.

*1 Research and development costs associated with game software production included in R&D costs in the G&NS segment.

*2 Excluding the expenses associated with the acquisitions which are expected to be closed within FY22.

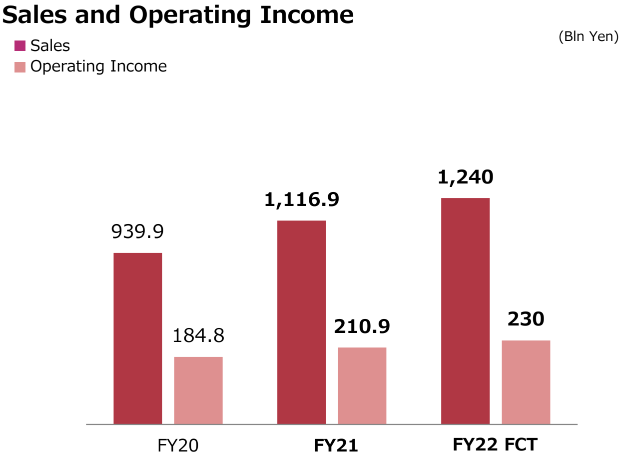
*3 Sales of first-party titles on platforms other than PlayStation® consoles, which are included in the "Other" category in “Supplemental Information.”

- In addition to acquiring studios such as Bungie and Haven, in recent years we have significantly increased our investment in content development in our existing studios.  As a result, our first party software revenue has grown at a high rate.

- Going forward, we aim to grow the game business by strengthening our first party software and deploying that software on multiple platforms.

## Music Segment

### Sales and Operating Income




**FY2021 (year-on-year)**

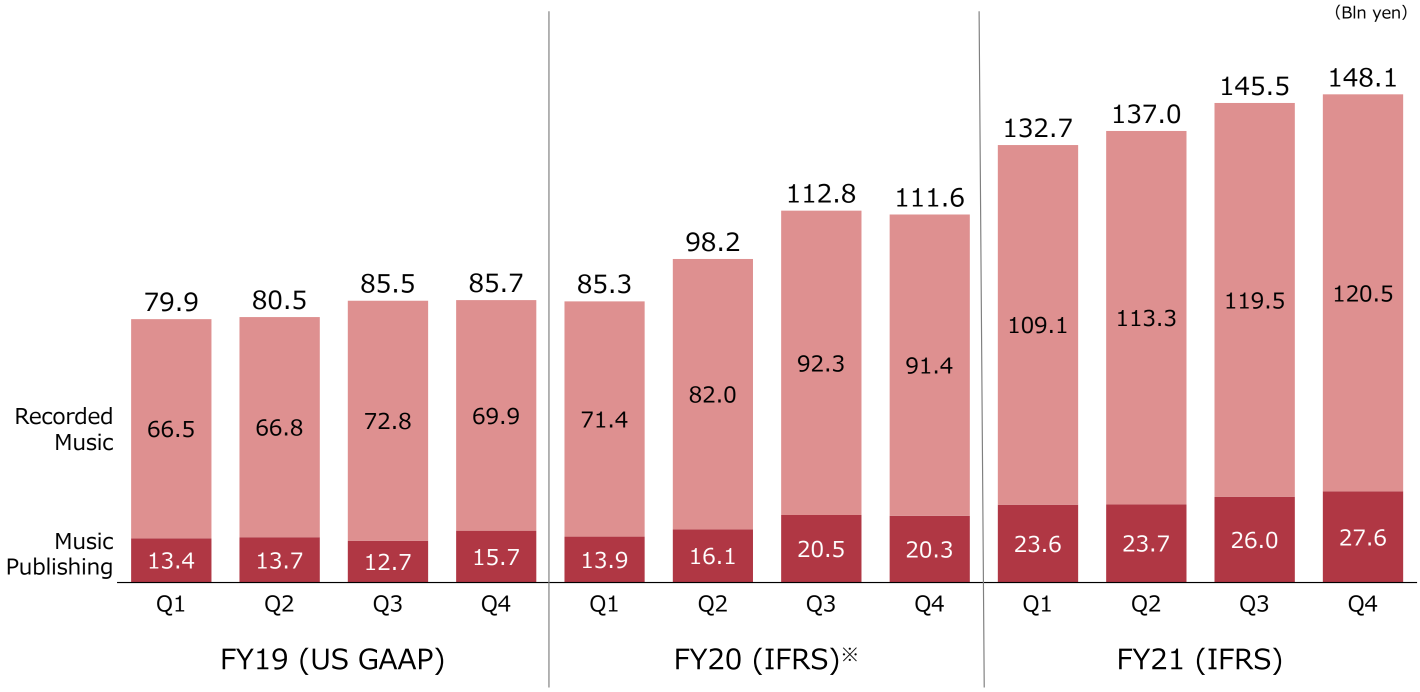
- Sales: 177.1 bln yen (19%) significant increase (FX Impact: +42.8 bln yen)
  - (+) Higher sales for Recorded Music and Music Publishing from paid subscription streaming services and advertising-supported streaming services
  - (+) Impact of foreign exchange rates
- OI: 26.1 bln yen increase
  - (+) Impact of increase in sales
  - (+) Positive impact of foreign exchange rates
  - (−) Absence of gain recorded on the sale of a portion of shares of Pledis in the previous fiscal year (7.2 bln yen)
  - (−) Absence of gain recorded in connection with the transfer of an overseas business in the previous fiscal year (5.9 bln yen)

**FY2022 Forecast (year-on-year)**

- Sales: 123.1 bln yen (11%) increase
  - (+) Higher sales for Recorded Music and Music Publishing resulting from an increase in revenues from streaming services
  - (+) Impact of foreign exchange rates
  - (+) Impact of the acquisition of AWAL
  - (−) Lower sales for Visual Media and Platform
    - (−) Decrease in physical media revenue in anime business
    - (−) Decrease in revenues from mobile game applications
- OI: 19.1 bln yen increase
  - (+) Impact of increase in sales
  - (+) Positive impact of foreign exchange rates

- Next is the Music segment.
- Although sales of Visual Media and Platform decreased, FY21 sales increased a significant 19% year-on-year to 1 trillion 116.9 billion yen, primarily due to an increase in streaming revenue.
- Operating income increased 26.1 billion yen year-on-year to 210.9 billion yen, primarily due to the impact of the increase in sales.
- The contribution to operating income from Visual Media and Platform accounted for approximately 20% of the operating income of the segment for the fiscal year.
- FY22 sales are expected to increase 11% year-on-year to 1 trillion 240 billion yen and operating income is expected to increase 19.1 billion yen year-on-year to 230 billion yen.

## Streaming Revenue Growth




※ Regarding FY20 Recorded Music streaming revenue, assumed figures are used when adjustments were made from the first quarter of FY20 due to changes in contract terms with a portion of customers. For the details of such adjustments, please refer to page 11 of the Supplemental Information.

Adjusted streaming revenue is not a measure in accordance with US GAAP and IFRS. However, Sony believes that this disclosure may be useful information to investors.

- In the fourth quarter ended March 31, 2022, streaming revenue increased 32% year-on-year in Recorded Music and 36% year-on-year in Music Publishing, continuing to contribute significantly to the growth of the segment.

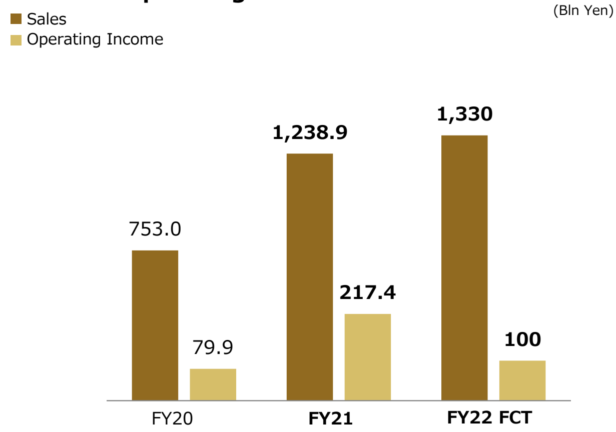
- In Recorded Music, we are strengthening our ability to discover and nurture artists, expanding our roster and acquiring new labels such as Alamo Records.

- As a result of these efforts, our ability to continuously create hits has steadily increased with our having an average of 36 songs in Spotify’s weekly global top 100 songs in FY21.

- Moreover, new business opportunities with digital partners such as TikTok, Meta and Roblox are steadily increasing, and are expanding our baseload of profitability.

## Pictures Segment

### Sales and Operating Income




**FY2021 (year-on-year)**

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

- Sales: 485.9 bln yen (65%) significant increase
  (U.S. dollar basis: 3,890 mil USD / 55%)
  - ·(+) Higher sales for Motion Pictures
    - ·(+) Increase in both theatrical revenues and licensing revenues from digital streaming services for new film titles
    - ·(+) Increase in licensing revenues for catalog product
    - ·(−) Lower home entertainment and licensing revenues from prior year releases due to the absence of significant theatrical releases in FY20
  - ·(+) Higher sales for Television Productions due to the licensing of *Seinfeld* and an increase in deliveries of titles
  - ·(+) Higher sales for Media Networks resulting from the Crunchyroll acquisition

- OI: 137.5 bln yen significant increase (U.S. dollar basis: 1,179 mil USD)
  - ·(+) Impact of increase in sales
  - ·(+) Gain from the transfer of GSN Games business (70.0 bln yen)
  - ·(−) Increase in marketing costs in Motion Pictures

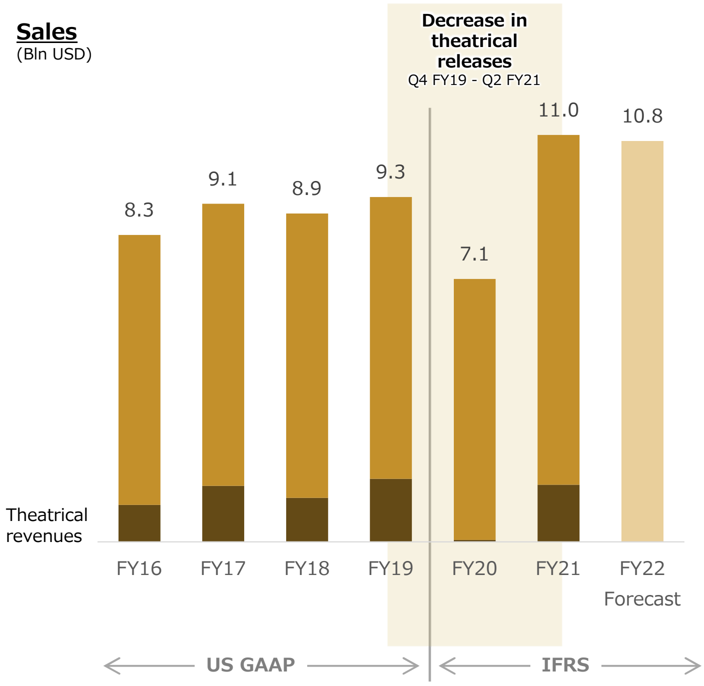
**FY2022 Forecast (year-on-year)**

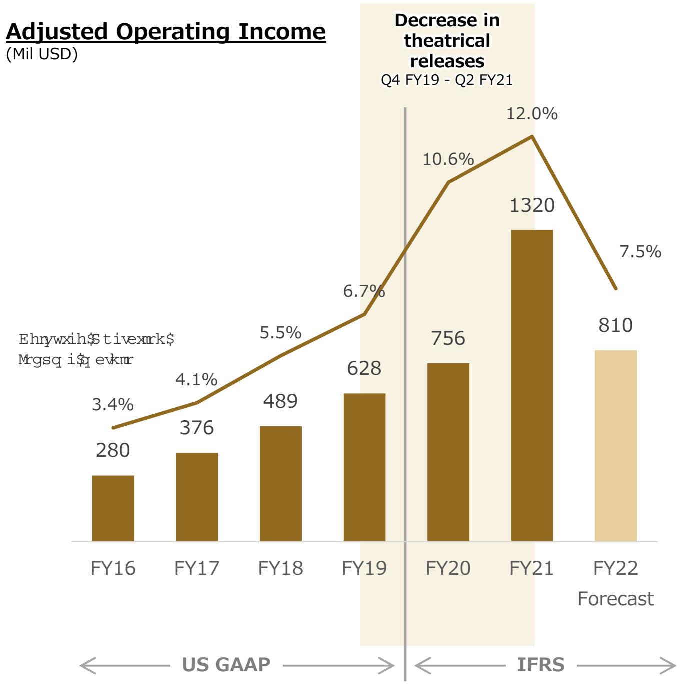
- Sales: 91.1 bln yen (+7%) increase
  - ·(+) Impact of foreign exchange rates
  - ·(+) Increase in sales for Media Networks
  - ·(+) Increase in sales for Television Productions
  - ·(−) Significant decrease in sales for Motion Pictures compared to FY21 which included the very strong performance of several major releases

- OI: 117.4 bln yen significant decrease
  - ·(−) Absence of gain from the transfer of GSN Games business (70.0 bln yen) recorded in FY21
  - ·(−) Impact of decrease in sales in Motion Pictures

- Next is the Pictures segment.
- With box office revenue in the U.S. recovering to approximately 50% of pre-COVID-19 levels, the operating environment for this segment is starting to return to normal, primarily in Motion Pictures.
- In addition, primarily due to the historic blockbuster hit *Spider-Man: No Way Home* and significant licensing revenue from the popular television series *Seinfeld*, FY21 sales increased a significant 65% year-on-year to 1 trillion 238.9 billion yen.
- Operating income increased a significant 137.5 billion yen year-on-year to 217.4 billion yen, due to the impact of the increase in sales and the recording of a 70.0 billion yen gain from the transfer of GSN Games.
- Although Motion Pictures revenue is expected to decrease due to the lack of major releases on par with the previous fiscal year, FY22 sales are expected to increase 7% to 1 trillion 330 billion yen year-on-year, primarily due to the impact of exchange rates and an expected increase in Media Networks revenue.
- Operating income is expected to decrease a significant 117.4 billion yen year-on-year to 100 billion yen primarily due to our not forecasting one-time items such as in the previous fiscal year.

## Profitability Trend for Pictures Segment (U.S. dollar basis)




Adjusted operating income is not a measure in accordance with US GAAP and IFRS. However, Sony believes that this disclosure may be useful information to investors.
Operating Income is adjusted for a $962 mil impairment charge of goodwill in FY16 and a $615 mil gain from the transfer of GSN Games in FY21, whose monetary amounts are disclosed in the Annual and Quarterly Financial Statements, the Earnings Presentation Slides, the Quarterly Securities Reports and the Form 20-F.

- The forecast for FY22 operating income margin for the segment is 7.5%, a decrease compared to the last two fiscal years, which benefitted from lower expenses resulting from fewer releases and the licensing of films to digital distribution services.  However, when compared to before the COVID-19 pandemic, the profitability of the segment has steadily improved.

# Efforts to Strengthen Content IP

- In this segment, we see the increase in demand for content, primarily from video distribution services, as an opportunity, and we are strengthening our content IP as a result.

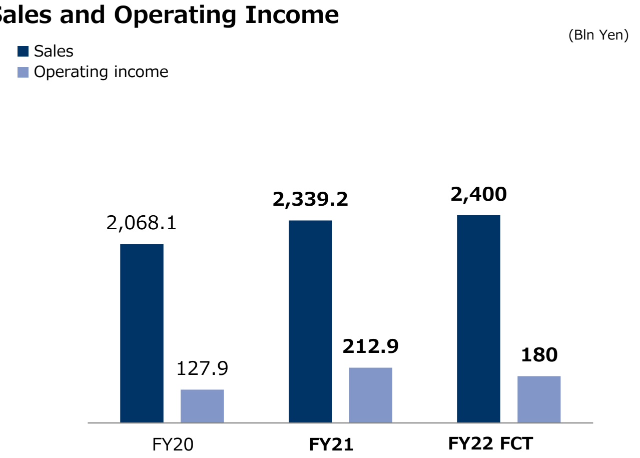
- A pillar of our IP strategy is leveraging the Sony Pictures Universe of Marvel Characters, and we are following-up on *Venom* and *Morbius* with the production of another Spider-Man character spin-off called *Kraven The Hunter*.

- In addition, following the success of the first movie adaptation of the popular PlayStation game title *Uncharted* in Motion Pictures, we are leveraging our game IP by proceeding with the adaptation of *Ghost of Tsushima* and *The Last of Us* into video content.

- In Television Productions, we are pursuing strategic investments, such as the acquisition of Industrial Media, which has a reputation for producing variety and documentary content such as the popular TV show *American Idol*, and the acquisition of Bad Wolf, a leading drama production studio in the U.K.

## Entertainment, Technology & Services (ET&S Segment)

### Sales and Operating Income




**FY2021** (year-on-year)

- Sales: 271.1 bln yen (13%) significant increase (FX Impact: +103.8 bln yen)
  - ·(+) Increase in sales of televisions and digital cameras due to an improvement in the product mix
  - ·(+) Impact of foreign exchange rates
- OI: 85.1 bln yen significant increase (FX Impact: +27.2 bln yen)
  - ·(+) Impact of improvement in the product mix of digital cameras and televisions
  - ·(+) Positive impact of foreign exchange rates
  - ·(−) Impact of decreases in unit sales of televisions and digital cameras

**FY2022 Forecast** (year-on-year)

- Sales: 60.8 bln yen (3%) increase
  - ·(+) Impact of foreign exchange rates
  - ·(−) Decrease in sales of televisions due to lower unit sales
- OI: 32.9 bln yen decrease
  - ·(−) Increase in logistics and other operating expenses
  - ·(+) Impact of improvement in the product mix of televisions and digital cameras

The former Electronics Products & Solutions (EP&S) segment has been renamed the Entertainment, Technology & Services (ET&S) segment effective from April 2022. This change has not resulted in any reclassification of businesses across segments.

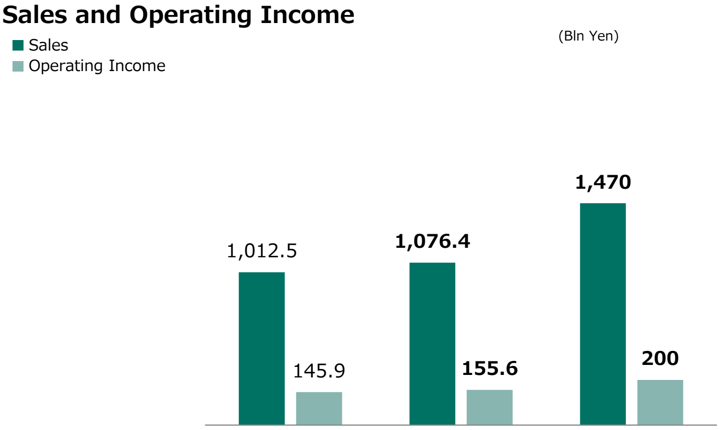
- Next is the Electronics Products & Solutions segment.
- FY21 sales increased 13% year-on-year to 2 trillion 339.2 billion yen primarily due to an increase in sales of TVs and digital cameras resulting from an improvement in product mix. Primarily due to the impact of the increase in sales, operating income increased 85.1 billion yen year-on-year to 212.9 billion yen.
- During the previous fiscal year, we faced various supply constraints, such as continued disruption of manufacturing and logistics resulting from the COVID-19 pandemic, and a shortage of components, primarily semiconductors. However, we were able to overcome these issues primarily through close management of our supply chain and achieved an operating income margin of over 9%.
- FY22 sales are expected to increase 3% year-on-year to 2 trillion 400 billion yen primarily due to the impact of exchange rates, despite a decrease in unit sales of TVs.
- Operating income is expected to decrease 32.9 billion yen to 180 billion yen. This forecast incorporates the total of an already observable impact and an estimated additional impact going forward of approximately 30 billion yen on our supply chain, due to the spread of COVID-19 in China.
- Going forward, due to continued spread of infection, there is a possibility that the operations at factories in Shanghai and the surrounding region, as well as procurement of parts from the region, will be constrained.  Thus, we currently expect it will take approximately 3 months for the situation to normalize.
- With the situation in Ukraine and Russia and the slowdown of the global economy resulting from rapid inflation, we expect the demand environment this fiscal year to be even more severe than recent years.
- By quickly responding to changes in the market going forward and further enhancing our resilience to changes in the environment through digitization and streamlining of our operations, we will aim to maintain and improve our profitability.

# Entertainment, Technology & Services


- Now I would like to explain the change in the name of this segment.
- We have been using visual, audio, communication and other technologies to deliver Kando in the form of entertainment experiences to our customers in this segment for quite some time.
- Going forward, we will work with creators to create the entertainment of the future by providing technology that enables new visual and audio experiences while also providing new services such as virtual production and sports entertainment.
- To further clarify the direction of these businesses, we have changed the name of the segment to "Entertainment, Technology & Services."
- The details of the change will be explained by Mr. Maki, the head of the segment, at the business segment briefing to be held this month.

# Imaging & Sensing Solutions Segment (I&SS Segment)

## Sales and Operating Income




| | FY20 | FY21 | FY22 FCT |
|---|---|---|---|
| Image Sensors Sales | 872.2 | **947.3** | **1,275** |
| Additions to long-lived assets for I&SS Segment | 194.0 | **255.8** | **370** |
| for Image Sensors (included above) | 180.0 | **237.1** | **345** |

**FY2021 (year-on-year)**

- Sales: 63.9 bln yen (6%) increase (FX Impact: +55.5 bln yen)
  - ·(+) Impact of foreign exchange rates
  - ·(+) Increase in unit sales of image sensors for digital cameras and for industrial equipment
  - ·(−) Decrease in sales of image sensors for mobile products
    - ·(−) Deterioration of the product mix
    - ·(+) Increase in unit sales
- OI: 9.7 bln yen increase (FX Impact: +18.5 bln yen)
  - ·(+) Impact of increase in sales
  - ·(+) Positive impact of foreign exchange rates
  - ·(+) Absence of inventory write-downs of certain image sensors for mobile products in FY20 (7.2 bln yen)
  - ·(−) Increase in research and development expenses as well as depreciation and amortization expenses
  - ·(−) Impact of decrease in sales of image sensors for mobile products

**FY2022 Forecast (year-on-year)**

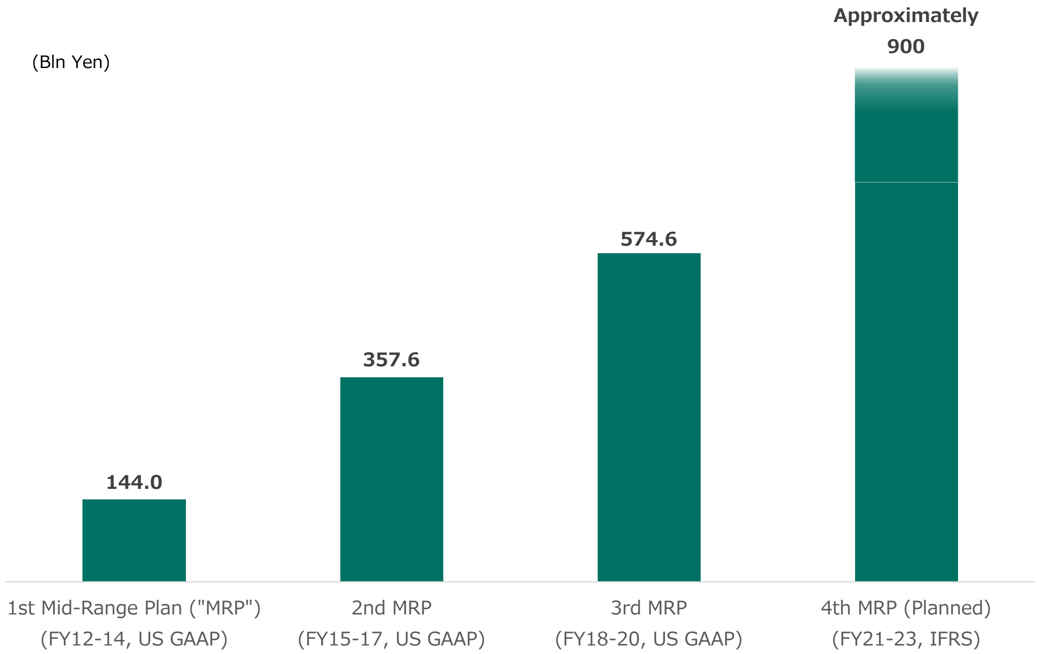
- Sales: 393.6 bln yen (37%) significant increase
  - ·(+) Increase in sales of image sensors for mobile products
    - ·(+) Increase in unit sales
    - ·(+) Improvement of the product mix
  - ·(+) Impact of foreign exchange rates
- OI: 44.4 bln yen significant increase
  - ·(+) Impact of increase in sales
  - ·(+) Positive impact of foreign exchange rates
  - ·(−) Increase in research and development expenses as well as depreciation and amortization expenses

- Next is the Imaging & Sensing Solutions segment.
- FY21 sales increased 6% year-on-year to 1 trillion 76.4 billion yen, primarily due to the impact of exchange rates and an increase in sales of sensors for digital cameras and industrial equipment.
- Operating income increased 9.7 billion yen year-on-year to 155.6 billion yen, primarily due to the impact of the increase in sales.
- FY22 sales are expected to increase 37% year-on-year to 1 trillion 470 billion yen and operating income is expected to increase 44.4 billion yen to 200 billion yen.

# Current State of Business

- During the previous fiscal year, we achieved a certain level of success expanding and diversifying our customer base and recovering our unit market share, but the business environment throughout the year was quite severe due to the stagnation of the smartphone market in China.
- Recently, however, we are seeing a trend of manufacturers refocusing on increasing the size, image quality and added value of the image sensors they are purchasing for their high-end smartphones scheduled for release in FY22 and beyond. Thus, we expect growth of the mobile image sensor market to accelerate again going forward.
- There is also a movement to pursue better image quality even in mid-range phones, and, thus, we believe there is room for us to further increase our share of this market.

## Capital Expenditure in Image Sensor Business



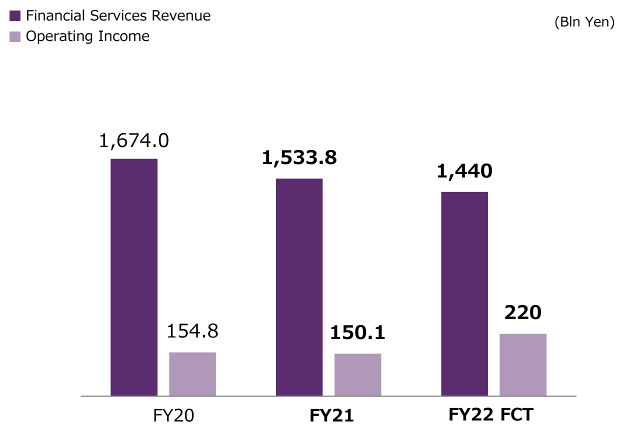

- Due to growth in sensors for mobile devices, stable growth in the market for sensors used in digital cameras and industrial applications and a significant expansion in the market for automotive sensors, we have upwardly revised our forecasted revenue CAGR for this segment over the course of the current mid-range plan to approximately 20% per year.

- To respond to this more-robust demand, and to ensure that we can capture growth opportunities, we plan to increase capital expenditures during the mid-range plan from approximately 700 billion yen to approximately 900 brillion yen.

- Primarily due to this increase in capital expenditures and an increase in research and development expenses to maintain and expand our technological competitiveness, the timeline for improving profitability has been slightly delayed from our initial plan, but we do expect that profit will continue to grow along with the increase in sales over the medium-term.

## Financial Services Segment

### Financial Services Revenue and Operating Income




**FY2021** (year-on-year)

- Revenue: 140.2 bln yen (8%) decrease
  - ·(−) Decrease in revenue at Sony Life*1 (131.0 bln yen decrease, revenue: 1,350.5 bln yen)
    - ·(−) Decrease in net gains on investments in the separate accounts
    - ·(+) Increase in insurance premium revenue
- OI: 4.7 bln yen decrease
  - ·(−) One-time loss recorded at a subsidiary of Sony Life (-16.8 bln yen)
  - ·(+) Increase in OI at Sony Life (13.7 bln yen increase, OI: 147.2 bln yen)
    - · (+) Higher insurance premium revenue reflecting an increase in the policy amount in force
    - · (+) Decrease in expenses related to COVID-19
    - · (+) Gain recorded on the sale of bonds
    - · (−) Increase in the provision of policy reserves due to fluctuations in the stock market and interest rates

**FY2022 Forecast** (year-on-year)

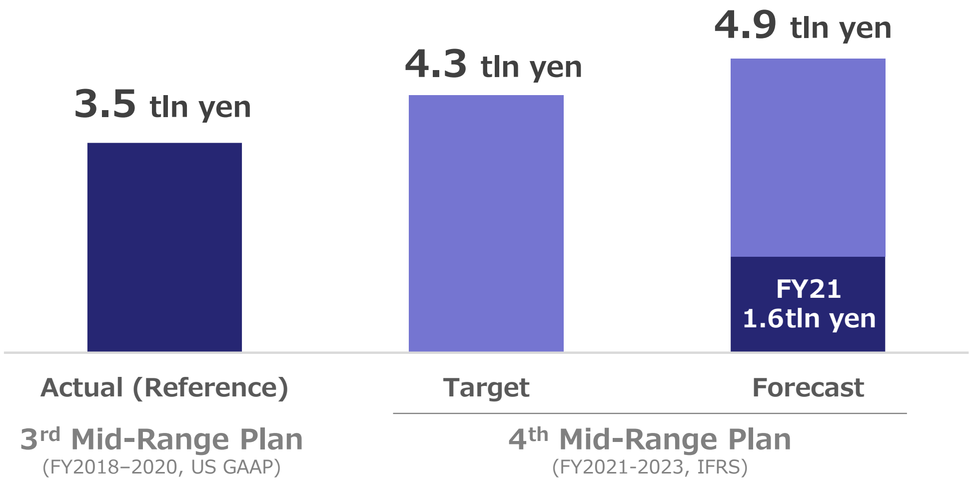
- Revenue: 93.8 bln yen (6%) decrease
  - ·(−) Absence of the impact on net gains from market fluctuations on investments in the separate accounts at Sony Life
- OI: 69.9 bln yen significant increase
  - ·(+) The absence of the loss recorded due to an unauthorized withdrawal of funds in FY21 and the recovery of the funds in FY22 at a subsidiary of Sony Life*2
  - ·(+) Gain recorded on the sale of real estate at Sony Life

*1 Sony Life merged with its subsidiary which is engaged in the annuity business as of April 1, 2021. Due to the merger, from FY21, 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 decreased 171.1 billion yen year-on-year.

*2 Although the timing and amount of the recovery of the funds are undetermined, it is assumed that the funds will be recovered within FY22, and the same amount as the loss recorded in FY21 is included in the forecast for FY22.

- Last is the Financial Services segment.
- FY21 financial services revenue decreased 8% year-on-year to 1 trillion 533.8 billion yen, primarily due to a decrease in net gains on investments in the separate accounts at Sony Life Insurance Ltd. (“Sony Life”).
- Despite the impact of an increase in insurance premium revenue at Sony Life, operating income decreased 4.7 billion yen year-on-year to 150.1 billion yen, primarily due to one-time loss at a subsidiary of Sony Life related to an unauthorized withdrawal of funds.
- New policy amount in force at Sony Life during FY21 grew 30% year-on-year, driven by our success in selling insurance to corporations.
- FY21 financial services revenue is expected to decrease 6% to 1 trillion 440 billion yen and operating income is expected to increase 69.9 billion yen to 220 billion yen.
- The operating income forecast includes the combined impact of approximately 43 billion yen from a gain on the sale of real estate, completed last month, and the impact of the recovery of the funds associated with the unauthorized withdrawal regarding which we recorded a loss in the previous fiscal year, both at Sony Life.

## 4th Mid-Range Plan Target for Three-year Total Adjusted EBITDA



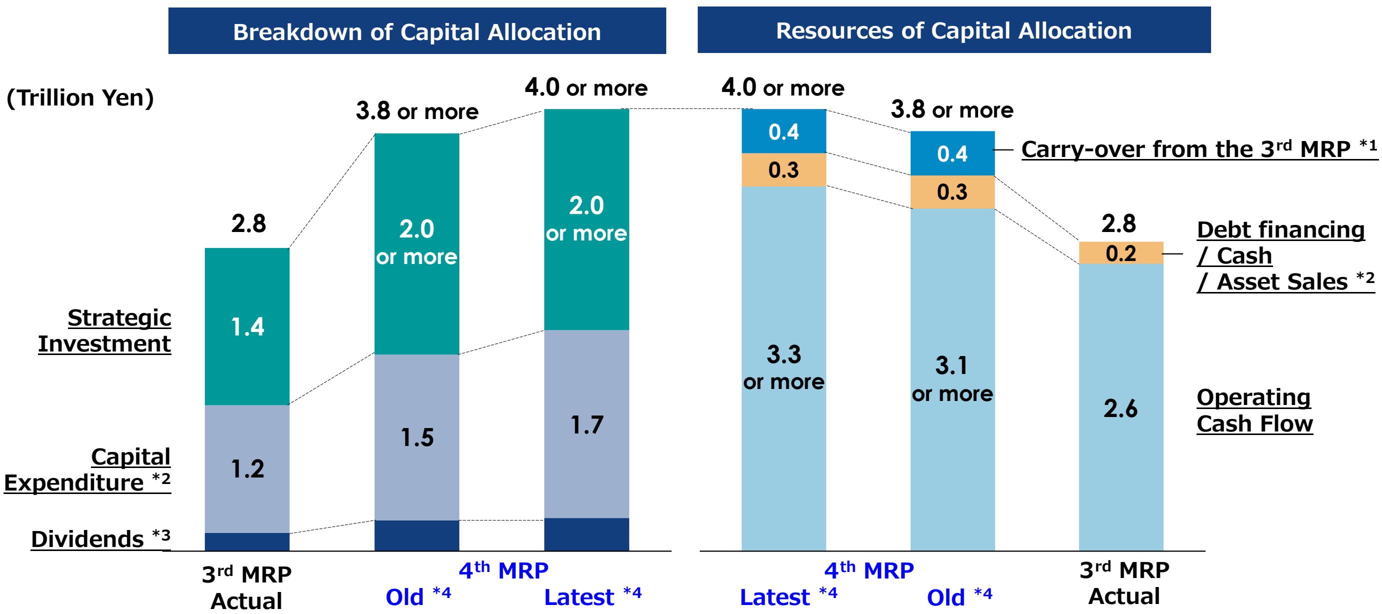

*EBITDA and Adjusted EBITDA are not measures in accordance with US GAAP and IFRS. However, Sony believes that this disclosure may be useful information to investors*

* EBITDA is calculated by the following formula, and Adjusted EBITDA excludes the profit and loss amount that Sony deems to be non-recurring and discloses in the Quarterly Financial Statements, the Earnings Presentation Slides, the Quarterly Securities Reports and the Form 20-F. The financial figures in the 4th mid-range plan are based on IFRS.
EBITDA = Net income attributable to Sony Group Corporation's stockholders + Net income attributable to noncontrolling interests + Income taxes + Interest expenses, net, recorded in Financial income and Financial expense - Gain on revaluation of equity securities, net, recorded in Financial income and Financial expense + Depreciation and amortization expense excluding amortization for film costs included in Content assets and Deferred insurance acquisition costs.

Adjusted EBITDA for the 3rd MRP is calculated based on the accounting items under US GAAP by using the above-mentioned formula. Despite the accounting differences between US GAAP and IFRS, Sony believes that disclosure of the actual result of adjusted EBITDA in the 3rd MRP as reference may be useful information to investors.

- Now I would like to explain the progress of our fourth mid-range plan.
- Under the theme of "Sony's evolution," during this mid-range plan, we aim to evolve Sony into a company that achieves faster and higher growth through investment and business expansion in growth markets and through further collaboration across our businesses.
- Sales are on a higher growth curve than originally expected, driven by growth in our four priority investment areas: the G&NS, Music, Pictures and I&SS segments.  Operating income has also increased significantly compared to the previous plan, and we now expect it to exceed 1 trillion yen per year.
- Based on this, we expect three-year cumulative total adjusted EBITDA, which is our consolidated group KPI, to increase to 4.9 trillion yen, up 14% compared to the target of 4.3 trillion yen.

# 4th Mid-Range Plan Capital Allocation (excluding Financial Services)




- The 3rd MRP is for the period between FY18 and FY20, and the 4th MRP is for the period between FY21 and FY23.

*1 Amount increased because more cumulative operating cash flow was generated during the 3rd MRP than was anticipated at the end of the third quarter ended December 31, 2020. It also increased because of the postponement of cash outflows for strategic investments that were already decided.

*2 Figures in the 3rd MRP are based on US GAAP and figures in the 4th MRP are based on IFRS. Operating cash flow includes the impact of the difference in accounting standards relating to principal payments for operating lease liabilities and the purchases and sales of content assets. Capital expenditure includes increases in right-of-use assets related to operating lease agreements.

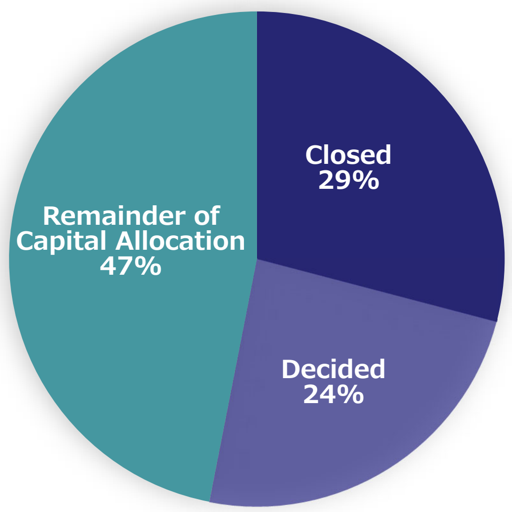
*3 Actual dividends paid in the 3rd MRP were approximately 170 bln yen.

*4 "Old" indicates the forecast previously disclosed at the Q2 FY21 earnings announcement on October 28, 2021, and "Latest" indicates the latest forecast as of May 10, 2022.

- Now I would like to update you on the progress of our capital allocation.
- The amount of consolidated operating cash flow generated during the three years of this mid-range plan, excluding the Financial Services segment, is expected to increase by 200 billion yen compared to the original plan to 3.3 trillion yen or more, mainly due to the improvement in operating income.
- Added to this amount will be carry-over from the previous mid-range plan, borrowing and asset sales, leaving a total of more than 4 trillion yen available to be allocated.
- As for how this amount will be allocated, I explained earlier that we plan to increase capital expenditures in the I&SS segment by approximately 200 billion yen. Thus, we have made no change to our plan to make strategic investments of 2 trillion yen or more.

## 4th Mid-Range Plan* Progress of Strategic Investment

**Progress towards 2 trillion yen**
(As of May 10, 2022)




* The 4th MRP is for the period between FY21 and FY23.

**Major Decided/Closed Items**

| Category | Items |
|---|---|
| IP | Acquisition of AWAL (Music) |
| | Acquisition of Som Livre (Music) |
| | Acquisition of Alamo Records (Music) |
| | Investment in Scopely (Pictures) |
| | Acquisition of Lasengle (Music) |
| | Acquisition of Ultra Records (Music) |
| | Acquisition of Bungie (G&NS) |
| | Acquisition of Industrial Media (Pictures) |
| | Acquisition of Haven Entertainment Studios (G&NS) |
| DTC | Acquisition of Crunchyroll (Pictures) |
| | Investment in NetEase Cloud Music (Music) |
| | Acquisition of Ceremony of Roses (Music) |
| Others | Investment in JASM, a foundry service subsidiary of TSMC (I&SS) |
| | Investment in Epic Games (G&NS) |
| | Share Repurchase |

- A total of approximately 1 trillion 60 billion of strategic investments have been executed or decided already, including 97.4 billion yen in repurchases of Sony stock, and we believe our investments for long-term growth are progressing steadily.
- Lastly, we have obtained another authorization to repurchase a maximum of 200 billion yen of Sony's stock over the next year. These repurchases continue to be part of our strategic investments and will be implemented in a flexible manner.
- We believe that the external environment in FY22 will be quite harsh, with many risks and issues that we will have to address, and, as CFO, I am managing Sony with the highest sense of caution.
- At the same time, we will continue to take steps to achieve growth over the long-term while responding swiftly to changes in the environment.
- This concludes my remarks.

SONY

# 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. 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 (US GAAP). The results for the fiscal year ended March 31, 2021 are also presented in accordance with IFRS. Investors also should not rely on any obligation of Sony to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Sony disclaims any such obligation. Risks and uncertainties that might affect Sony include, but are not limited to:

(i) Sony's ability to maintain product quality and customer satisfaction with its products and services;
(ii) Sony's ability to continue to design and develop and win acceptance of, as well as achieve sufficient cost reductions for, its products and services, including image sensors, game and network platforms, smartphones and televisions, which are offered in highly competitive markets characterized by severe price competition and continual new product and service introductions, rapid development in technology and subjective and changing customer preferences;
(iii) Sony's ability to implement successful hardware, software, and content integration strategies, and to develop and implement successful sales and distribution strategies in light of new technologies and distribution platforms;
(iv) the effectiveness of Sony's strategies and their execution, including but not limited to the success of Sony's acquisitions, joint ventures, investments, capital expenditures, restructurings and other strategic initiatives;
(v) changes in laws, regulations and government policies in the markets in which Sony and its third-party suppliers, service providers and business partners operate, including those related to taxation, as well as growing consumer focus on corporate social responsibility;
(vi) Sony's continued ability to identify the products, services and market trends with significant growth potential, to devote sufficient resources to research and development, to prioritize investments and capital expenditures correctly and to recoup its investments and capital expenditures, including those required for technology development and product capacity;
(vii) Sony's reliance on external business partners, including for the procurement of parts, components, software and network services for its products or services, the manufacturing, marketing and distribution of its products, and its other business operations;
(viii) the global economic and political environment in which Sony operates and the economic and political conditions in Sony's markets, particularly levels of consumer spending;
(ix) Sony's ability to meet operational and liquidity needs as a result of significant volatility and disruption in the global financial markets or a ratings downgrade;
(x) Sony's ability to forecast demands, manage timely procurement and control inventories;
(xi) foreign exchange rates, particularly between the yen and the U.S. dollar, the euro and other currencies in which Sony makes significant sales and incurs production costs, or in which Sony's assets, liabilities and operating results are denominated;
(xii) Sony's ability to recruit, retain and maintain productive relations with highly skilled personnel;
(xiii) Sony's ability to prevent unauthorized use or theft of intellectual property rights, to obtain or renew licenses relating to intellectual property rights and to defend itself against claims that its products or services infringe the intellectual property rights owned by others;
(xiv) the impact of changes in interest rates and unfavorable conditions or developments (including market fluctuations or volatility) in the Japanese equity markets on the revenue and operating income of the Financial Services segment;
(xv) shifts in customer demand for financial services such as life insurance and Sony's ability to conduct successful asset liability management in the Financial Services segment;
(xvi) risks related to catastrophic disasters, geopolitical conflicts, pandemic disease or similar events;
(xvii) the ability of Sony, its third-party service providers or business partners to anticipate and manage cybersecurity risk, including the risk of unauthorized access to Sony's business information and the personally identifiable information of its employees and customers, potential business disruptions or financial losses; and
(xviii) the outcome of pending and/or future legal and/or regulatory proceedings.

Risks and uncertainties also include the impact of any future events with material adverse impact. The continued impact of COVID-19 and the developments relating to the situation in Ukraine and Russia 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.