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.
• Today, after Ms. Matsuoka and Mr. Hayakawa have explained the content shown here, I will make some additional comments to summarize this earnings briefing.
### Q1 FY2023 Consolidated Results

<table>
<thead>
<tr>
<th></th>
<th>(Reference) IFRS 4 Q1 FY22</th>
<th>Q1 FY22</th>
<th>Q1 FY23</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales*</td>
<td>2,311.5</td>
<td>2,229.8</td>
<td>2,963.7</td>
<td>+733.9 (+33%)</td>
</tr>
<tr>
<td>Operating income</td>
<td>307.0</td>
<td>364.9</td>
<td>253.0</td>
<td>-111.8 (-31%)</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>291.4</td>
<td>349.3</td>
<td>276.0</td>
<td>-73.2 (-21%)</td>
</tr>
<tr>
<td>Net income attributable to Sony Group Corporation's stockholders</td>
<td>218.2</td>
<td>261.1</td>
<td>217.5</td>
<td>-43.5 (-17%)</td>
</tr>
<tr>
<td>Net income attributable to Sony Group Corporation's stockholders per share of common stock (diluted)</td>
<td>175.21 yen</td>
<td>209.66 yen</td>
<td>175.67 yen</td>
<td>-33.99 yen</td>
</tr>
<tr>
<td>Adjusted OIBDA</td>
<td>431.0</td>
<td>488.9</td>
<td>396.1</td>
<td>-92.8 (-19%)</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>439.0</td>
<td>496.9</td>
<td>406.2</td>
<td>-90.6 (-18%)</td>
</tr>
</tbody>
</table>

Average Rate

- **1 US dollar**
  - 129.4 yen
  - 129.4 yen
  - **137.0 yen**

- **1 Euro**
  - 138.0 yen
  - 138.0 yen
  - **149.2 yen**

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

Sony has adopted IFRS 17 “Insurance Contracts” ("IFRS 17") from Q1 FY23. Figures for Q1 FY22 and FY22 are restated in accordance with IFRS 17 (applies to all following pages).

Adjusted OIBDA and Adjusted EBITDA are not measures in accordance with IFRS. However, Sony believes that these disclosures may be useful information to investors.

For further details about Adjusted OIBDA and Adjusted EBITDA including their formulas and reconciliations, see page 17-21 (applies to all following pages).

- Starting from FY23 Q1, Sony has adopted the new accounting standard IFRS 17 (“new standard”) pertaining to insurance contracts.

- The actual results for the same quarter of the previous fiscal year and the previous fiscal year that we will show today are presented after recalculation based on the new standard. We will explain the details later in the Financial Services segment part.

- Consolidated sales for the quarter increased a significant 33% compared to the same quarter of the previous fiscal year (“year-on-year”) to 2 trillion 963.7 billion yen.
Consolidated operating income decreased 111.8 billion yen year-on-year to 253.0 billion yen, primarily due to an 84.7 billion yen decrease in operating income of the Financial Services segment.

This decrease in operating income of the Financial Services segment was primarily due to the impact of the recalculation of the previous fiscal year’s results resulting from the application of the new standard and the absence of a gain on the sale of real estate recorded in the same quarter of the previous fiscal year.

Adjusted EBITDA decreased 90.6 billion yen year-on-year to 406.2 billion yen.

Income before income taxes decreased 73.2 billion yen year-on-year to 276.0 billion yen, and net income attributable to Sony Group Corporation’s stockholders decreased 43.5 billion yen to 217.5 billion yen.
**Q1 FY2023 Results by Segment**

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY22</th>
<th>Q1 FY23</th>
<th>Change</th>
<th>FX Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Game &amp; Network Services (G&amp;NS)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>604.1</td>
<td>771.9</td>
<td>+167.8</td>
<td>+40.6</td>
</tr>
<tr>
<td>Operating income</td>
<td>52.8</td>
<td>49.2</td>
<td>-3.6</td>
<td>-2.5</td>
</tr>
<tr>
<td>Adjusted OIBDA</td>
<td>70.2</td>
<td>75.9</td>
<td>+5.7</td>
<td></td>
</tr>
<tr>
<td><strong>Music</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>308.1</td>
<td>358.2</td>
<td>+50.2</td>
<td>+15.2</td>
</tr>
<tr>
<td>Operating income</td>
<td>61.0</td>
<td>73.4</td>
<td>+12.4</td>
<td></td>
</tr>
<tr>
<td>Adjusted OIBDA</td>
<td>74.8</td>
<td>82.9</td>
<td>+8.2</td>
<td></td>
</tr>
<tr>
<td><strong>Pictures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>341.4</td>
<td>320.4</td>
<td>-21.0</td>
<td>+17.7</td>
</tr>
<tr>
<td>Operating income</td>
<td>50.7</td>
<td>16.0</td>
<td>-34.7</td>
<td></td>
</tr>
<tr>
<td>Adjusted OIBDA</td>
<td>61.8</td>
<td>28.5</td>
<td>-33.4</td>
<td></td>
</tr>
<tr>
<td><strong>Entertainment, Technology &amp; Services (ET&amp;S)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>552.3</td>
<td>571.8</td>
<td>+19.5</td>
<td>+16.8</td>
</tr>
<tr>
<td>Operating income</td>
<td>53.6</td>
<td>55.6</td>
<td>+2.1</td>
<td>+1.4</td>
</tr>
<tr>
<td>Adjusted OIBDA</td>
<td>76.9</td>
<td>80.9</td>
<td>+4.0</td>
<td></td>
</tr>
<tr>
<td><strong>Imaging &amp; Sensing Solutions (I&amp;S&amp;S)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>237.8</td>
<td>292.7</td>
<td>+54.9</td>
<td>+23.2</td>
</tr>
<tr>
<td>Operating income</td>
<td>21.7</td>
<td>12.7</td>
<td>-9.0</td>
<td>+18.2</td>
</tr>
<tr>
<td>Adjusted OIBDA</td>
<td>67.3</td>
<td>70.0</td>
<td>+2.7</td>
<td></td>
</tr>
<tr>
<td><strong>Financial Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>216.0</td>
<td>681.4</td>
<td>+465.4</td>
<td></td>
</tr>
<tr>
<td>Operating income</td>
<td>139.2</td>
<td>54.5</td>
<td>-84.7</td>
<td></td>
</tr>
<tr>
<td>Adjusted OIBDA</td>
<td>145.6</td>
<td>61.4</td>
<td>-84.2</td>
<td></td>
</tr>
<tr>
<td><strong>All Other</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>19.3</td>
<td>19.5</td>
<td>+0.2</td>
<td></td>
</tr>
<tr>
<td>Operating income</td>
<td>2.9</td>
<td>2.5</td>
<td>-0.4</td>
<td></td>
</tr>
<tr>
<td>Adjusted OIBDA</td>
<td>3.9</td>
<td>3.6</td>
<td>-0.3</td>
<td></td>
</tr>
<tr>
<td><strong>Corporate and elimination</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income</td>
<td>-16.9</td>
<td>-10.8</td>
<td>+6.0</td>
<td></td>
</tr>
<tr>
<td>Adjusted OIBDA</td>
<td>-11.7</td>
<td>-7.1</td>
<td>+4.6</td>
<td></td>
</tr>
<tr>
<td><strong>Consolidated total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>2,298.9</td>
<td>2,963.7</td>
<td>+664.8</td>
<td>+733.9</td>
</tr>
<tr>
<td>Operating income</td>
<td>364.9</td>
<td>253.0</td>
<td>-111.8</td>
<td></td>
</tr>
<tr>
<td>Adjusted OIBDA</td>
<td>488.9</td>
<td>396.1</td>
<td>-92.8</td>
<td></td>
</tr>
<tr>
<td>Adjusted EBITDA*</td>
<td>496.9</td>
<td>406.2</td>
<td>-90.6</td>
<td></td>
</tr>
</tbody>
</table>

Sales in each business segment represents sales and revenue recorded before intersegment transactions are eliminated (applies to all following pages). 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).

Adjusted OIBDA and Adjusted EBITDA are not measures in accordance with IFRS. However, Sony believes that these disclosures may be useful information to investors.*

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

- Results by segment for the quarter are shown on this slide.
### FY2023 Consolidated Results Forecast

<table>
<thead>
<tr>
<th></th>
<th>FY22</th>
<th>FY23 April FCT</th>
<th>FY23 August FCT</th>
<th>Change from April FCT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>10,974.4</td>
<td>11,500</td>
<td><strong>12,200</strong></td>
<td>+700 (+6%)</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>1,302.4</td>
<td>1,170</td>
<td>1,170</td>
<td>-</td>
</tr>
<tr>
<td><strong>Income before income taxes</strong></td>
<td>1,274.5</td>
<td>1,140</td>
<td>1,140</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net income attributable to Sony Group Corporation's stockholders</strong></td>
<td>1,005.3</td>
<td>840</td>
<td>860</td>
<td>+20 (+2%)</td>
</tr>
<tr>
<td><strong>Adjusted OIBDA</strong></td>
<td>1,816.9</td>
<td>1,770</td>
<td><strong>1,770</strong></td>
<td>-</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>1,797.6</td>
<td>1,750</td>
<td><strong>1,750</strong></td>
<td>-</td>
</tr>
<tr>
<td><strong>Operating Cash Flow</strong></td>
<td>415.5</td>
<td>1,250</td>
<td><strong>1,250</strong></td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Foreign exchange rate</th>
<th>Actual (Average)</th>
<th>Assumption (Q2-Q4 FY2023)</th>
<th>Dividend per Share (planned)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 US dollar</td>
<td>135.4 yen</td>
<td>Approx. 130 yen</td>
<td>Interim 40 yen</td>
</tr>
<tr>
<td>1 Euro</td>
<td>140.9 yen</td>
<td>Approx. 138 yen</td>
<td>Year-end Undecided</td>
</tr>
</tbody>
</table>

Adjusted OIBDA, Adjusted EBITDA and Consolidated Operating Cash Flow (Sony without Financial Services) are not measures in accordance with IFRS. However, Sony believes these disclosures may be useful information to investors.

- Next, I will explain the full-year consolidated results forecast for FY23.
- The forecast for the full year is 12 trillion 200 billion yen for sales, an increase of 700 billion yen from the previous forecast, 1 trillion 170 billion yen for operating income, no change from the previous forecast, and 1 trillion 750 billion yen for adjusted EBITDA, no change from the previous forecast.
- The forecast for consolidated operating cash flow excluding the Financial Services segment is unchanged from the previous forecast.
- The assumed exchange rates have been revised to approximately 135 yen to the US dollar and approximately 146 yen to the euro.
The FY23 results forecast by segment is shown here.

Now, I will move on to an overview of each business segment.
First is the Game & Network Services (“G&NS”) segment.

FY23 Q1 sales increased a significant 28% year-on-year to 771.9 billion yen, primarily due to an increase in sales of third-party software, an increase in sales of PlayStation 5 (“PS5”) hardware and the impact of foreign exchange rates.

Operating income decreased 3.6 billion yen year-on-year to 49.2 billion yen, primarily due to an increase in expenses, including acquisition-related expenses of 16.6 billion yen, despite the positive impact of higher third-party software sales.

Adjusted OIBDA increased 5.7 billion yen year-on-year to 75.9 billion yen.

FY23 sales are expected to be 4 trillion 170 billion yen, an increase from the previous forecast of 270 billion yen, operating income is expected to be 270 billion yen, no change from the previous forecast, and adjusted OIBDA is expected to be 375 billion yen, an increase of 10 billion yen from the previous forecast.

Although we upwardly revised the sales forecast for third-party software which is performing well, we have incorporated a deterioration in the profitability of PS5 hardware mainly due to changes in promotions by geographic region and the sales channel mix.
Current State of the Business

• Primarily due to the release of appealing third-party software and the expansion of PS5 penetration, software sales for the quarter reached 406.2 billion yen, a significant 27% increase year-on-year. While there was also a positive impact from exchange rates, this was 14% higher than the first quarter of the fiscal year ended March 31, 2022, when there was still stay-at-home demand.

• Total game play time during the quarter was only 2% higher year-on-year, and we see the year-on-year growth in software sales as being driven mainly by a considerable increase in spending per play hour by the expanding PS5 user base.

• PS5 hardware sales were 3.3 million units, a significant increase of 38% year-on-year.

• This amount is somewhat less than the expected progress toward our fiscal year sales target of 25 million units, but, due to promotions begun in July, we are seeing an improvement in the momentum of sales.

• We have positioned the accelerated penetration of PS5 hardware as one of the highest priorities in this fiscal year, and we will try to work steadily to implement necessary measures to achieve our hardware sales target of 25 million units.

• Towards the end of the calendar year, the first-party title Marvel’s Spider-Man 2 and major third-party titles are scheduled to be released as well, and we expect that the entire game industry and the PS platform will be greatly energized.
Next is the Music segment.

FY23 Q1 sales increased a significant 16% year-on-year to 358.2 billion yen, primarily due to an increase in streaming sales and the impact of foreign exchange rates.

Operating income increased a significant 12.4 billion yen year-on-year to 73.4 billion yen, primarily due to the impact of the increased sales and the recording of a remeasurement gain of 6.0 billion yen from making an equity-method affiliate a consolidated subsidiary.

Adjusted OIBDA increased 8.2 billion yen year-on-year to 82.9 billion yen.

Profit contribution from Visual Media Platform was just under 10% of the operating income of the segment.

FY23 sales are expected to be 1 trillion 490 billion yen, an increase of 80 billion yen from the previous forecast, operating income is expected to be 280 billion yen, an increase of 15 billion yen from the previous forecast, and adjusted OIBDA is expected to be 335 billion yen, an increase of 10 billion yen from the previous forecast.
Streaming revenue for the quarter continued to grow, up 12% for Recorded Music and 18% for Music Publishing on a U.S. dollar basis.
Current State of the Business

• In Recorded Music, we are continuing to deliver hits at a high level. During the quarter, 38 of our songs on average ranked in the Spotify weekly global top 100 songs.

• More than 70% of songs listened to in the music streaming market in the U.S. are catalog songs that were released more than 18 months ago. So, creating continuous hits in the short-term simultaneously leads to an enhancement of future catalog and an increase in sales and market share over the mid- to long-term.

• At Sony Music Entertainment (“SME”), we have doubled the number of creative personnel in the last five years and the number of artists producing songs for streaming worldwide has increased 35%.

• As a result, current market share in the U.S. over the four years through last fiscal year has risen from 21% to 27% and sales and operating income for the Sony Music Group, which includes music publishing overseas, have increased significantly at CAGRs of 17% and 24%, respectively.

• In addition to these continuous investments in artists and labels, we aim to achieve stable growth that outperforms the market by expanding our business in new areas such as rapidly growing emerging markets and social media.

• In the domestic music business, YOASOBI’s TV anime theme song, “Idol,” surpassed 300 million streams, the fastest song to reach this total number of streams in history according to Billboard Japan’s tally. It held the number one spot for 16 consecutive weeks in the total domestic song chart.

• This momentum is spreading overseas, and the song has become a global hit and the biggest J-Pop hit, reaching No. 7 on Billboard’s global hit chart. With the expansion of the global anime market as a tailwind, we expect that the overseas expansion of artists, which SMEJ has been focusing on, will accelerate further.
Next is the Pictures segment.

FY23 Q1 sales decreased 6% year-on-year to 320.4 billion yen, mainly due to a decrease in deliveries in Television Productions and the impact of fewer releases of tentpole films in the previous fiscal year in Motion Pictures.

Operating income decreased a significant 34.7 billion yen year-on-year to 16.0 billion yen, primarily due to the impact of the decrease in sales and an increase in marketing expenses in Motion Pictures. Adjusted OIBDA decreased 33.4 billion yen year-on-year to 28.5 billion yen.

FY23 sales are expected to be 1 trillion 470 billion yen, down 50 billion yen from the previous forecast.

There is no change to the forecast for operating income and adjusted OIBDA.
Current State of the Business

• *Spider-Man: Across the Spider-Verse*, which was released theatrically in June, has become a huge hit with box office revenue exceeding 680 million U.S. dollars worldwide as of August 7th, making it our highest-grossing animated film ever.

• With regard to bringing PlayStation IP to video, the live action drama *Twisted Metal* was launched on the Peacock streaming service in the U.S. in July and the new movie *Gran Turismo* is scheduled to be released in theaters in the U.S. on August 25th.

• Regarding Crunchyroll, the number of paying subscribers surpassed 12 million in July, driven by the exclusive distribution of the television anime *Demon Slayer: Kimetsu no Yaiba Swordsmith Village Arc*, which started in April, and our anime business is steadily growing in a multifaceted way with the overseas distribution of the anime film *Suzume no Tojimari* and the strong sales of the mobile game *Street Fighter: Duel*.

• Although it is unclear when the strikes in Hollywood will end, we aim to work with the Alliance of Motion Picture and Television Producers to negotiate a resolution with the unions as soon as possible so that we can restart normal production activity.
Next is the ET&S segment.

FY23 Q1 sales increased 4% year-on-year to 571.8 billion yen, primarily due to the impact of foreign exchange rates, despite a decline in smartphone and television sales.

Operating income was 55.6 billion yen, an increase of 2.1 billion yen year-on-year, primarily due to cost reductions in televisions, despite the impact of decreased smartphone sales.

Adjusted OIBDA increased 3.9 billion yen year-on-year to 80.9 billion yen.

FY23 sales are expected to be 2 trillion 430 billion yen, an increase of 50 billion yen from the previous forecast.

There are no changes to the forecasts for operating income and adjusted OIBDA.
• The market environment for major product categories in the current quarter continued to be the same as the previous quarter, with televisions and smartphones facing severe conditions, while the market for digital cameras, headphones and other products remained strong.

• In each category, we are running our operations so as to respond to changes in the market environment, and we were able to secure stable profits across the entire segment.

• Inventory levels have improved significantly year-on-year, mainly for televisions, due to thorough management from production to sales, and we are managing them at an appropriate level.

• As the business environment for televisions and smartphones is expected to continue to be severe, we will pay close attention to cost and inventory control. We also plan to proceed with the early reaping of income in the digital camera space by keeping up with recent strong demand.
• We have introduced the appealing new products that you see here, and we are focusing on securing stable profits by continuing to enhance our product appeal.
Next is the I&SS segment.

FY23 Q1 sales significantly increased 23% year-on-year to 292.7 billion yen, mainly due to higher sales of image sensors for mobile products and the impact of foreign exchange rates.

Operating income decreased 9.0 billion yen year-on-year to 12.7 billion yen, primarily due to an increase in expenses such as depreciation and amortization expenses, despite the positive impact of foreign exchange rates and the effect of increased sales.

Adjusted OIBDA increased 2.7 billion yen year-on-year to 70.0 billion yen.

FY23 sales are expected to be 1 trillion 560 billion yen, down 40 billion yen from the previous forecast.

Operating income and adjusted OIBDA are expected to decrease 20 billion yen from the previous forecast to 180 billion yen and 425 billion yen, respectively.
• Recently, the smartphone product market is worsening compared with our expectations due to a delayed market recovery in China, a prolonged slump in the European market, and a slowdown in the North American market.

• In our previous forecast, we assumed a gradual market recovery from the second half of the current fiscal year, but we have postponed that to the beginning of next calendar year or the next fiscal year and have incorporated this revised timing into our sales forecast.

• In addition, in light of such product market conditions, smartphone manufacturers are making even further adjustments to their parts procurement, and this is having a significant impact on the second quarter following on the first quarter.

• In addition to smartphones, the impact of the slow economic recovery in China primarily in image sensors for industrial and social infrastructure is noticeable, and we have reduced our forecast.

• With respect to the increase in costs associated with the launch of mass production of a new product for smartphones, we have reflected the latest production situation and have incorporated additional costs. However, production is gradually stabilizing, and we do not think that costs will continue to increase significantly going forward.

• On the other hand, the trend toward larger die-sized image sensors being adopted by Chinese makers in their new smartphone products for the second half of the fiscal year is becoming noticeable not just in flagship and high-end phones but middle range phones as well.

• There is no change to our view that the trend toward larger mobile image sensors will drive the overall growth of the image sensor market, and that the market will grow at an average annual growth rate of around 9% until the fiscal year ending March 31, 2031.

• We plan to continue to implement measures from a mid- to long-term perspective as well, such as strengthening technology development capabilities and securing production capacity, so that we can steadily capture growth opportunities when market conditions recover, likely from next fiscal year.
Primary Changes of IFRS 17 Adoption

<table>
<thead>
<tr>
<th>Item</th>
<th>IFRS 4</th>
<th>IFRS 17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Statements of Financial Position</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measurement method for investment assets in insurance business (Principle)</td>
<td><strong>Measure at fair value</strong> at the end of each quarter (IFRS 9)</td>
<td><strong>In principle, fix</strong> based on assumptions at the time of contract execution (fixed insurance) <strong>In principle, evaluate</strong> with the best estimate at the end of each fiscal year (variable life insurance) <strong>Evaluate</strong> with the latest assumptions at the end of each quarter (all insurance)</td>
</tr>
<tr>
<td>Measurement method for insurance contract liabilities (Principle)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Statements of Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Services Revenue (Insurance premiums/insurance revenue)</td>
<td><strong>In principle, recognize all insurance premiums as revenue</strong></td>
<td>The portions of <strong>insurance premiums equivalent to the surrender benefit, etc. are not recorded as revenue</strong></td>
</tr>
<tr>
<td>Operating Income</td>
<td><strong>Allocate earned profit to each period based on the assumptions at the time of contract execution</strong></td>
<td><strong>Review earned profit based on the assumptions at the end of each quarter and allocate it to each period</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Liabilities regarding minimum guarantee are evaluated based on the best estimate at the end of each fiscal year, and the changes affect operating income (variable life insurance)</strong></td>
<td><strong>Liabilities regarding minimum guarantee are evaluated based on the latest assumptions at the end of each quarter, and the changes affect operating income (variable life insurance)</strong></td>
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- Last is the Financial Services segment.

- As we said at the beginning, Sony has adopted the new accounting standard, IFRS 17 starting this fiscal year.

- First, I will explain the impact of the adoption of the new standard focusing on the important points. For details, please refer to page 15 of the presentation.

- Under the new standard, financial services revenue decreases primarily because the portion of insurance premium revenue amounting to surrender value that used to be recorded as revenue is no longer recorded as revenue.

- In addition, under the new standard, the amount of liability increases and decreases depending on market fluctuations due to insurance contract liabilities being reevaluated based on the latest financial variables such as interest rates at the end of each quarter.

- The increase or decrease of such liabilities related to the minimum guarantee of variable life insurance is recognized as profit or loss and impacts operating income.
Next, I will explain the full-year results of the previous fiscal year recalculated based on the new standard.

Financial services revenue decreased by 39% from the previous standard to 889.1 billion yen, mainly due to non-recognition of surrender value.

Operating income increased 94.2 billion yen from the previous standard to 318.1 billion yen as a result of a significant decrease in insurance contract liabilities after recalculation primarily due to the rise in ultra-long-term interest rates in the previous fiscal year and the recognition of a profit due to that decrease.

Because hedging operations meant to contain the impact on profitability of market fluctuations were undertaken in the previous fiscal year in accordance with the previous standard, a significant difference arose as a result of the recalculation. From this fiscal year, we have transitioned to hedging operations in accordance with the new standard.
• Now, I will explain this segment’s performance in the current quarter compared to the same quarter of the previous fiscal year’s performance after the recalculation.

• Financial services revenue increased a significant 215% year-on-year to 681.4 billion yen, mainly due to a significant improvement in net gains and losses in the separate accounts at Sony Life, which benefited from a rise in stock prices inside and outside Japan.

• There is no difference between the new and previous standards when it comes to the impact market fluctuations have on gains and losses in the separate accounts.

• Operating income decreased a significant 84.7 billion yen year-on-year to 54.5 billion yen mainly due to the fact that the impact of market fluctuations was controlled as a result of transitioning to hedging operations based on the new standard and due to the fact that there was a gain on the sale of real estate in the same period of the previous fiscal year.

• Adjusted OIBDA decreased 84.2 billion yen year-on-year to 61.4 billion yen.

• The FY23 financial services revenue forecast is 1 trillion 320 billion yen, an increase of 450 billion yen from the previous forecast, reflecting the results of the current quarter.

• There are no changes to the forecasts for operating income and adjusted OIBDA.

• As has always been the case, the forecast does not reflect the impact of market fluctuations from the second quarter onwards.

• In addition, we expect insurance service result of Sony Life to continue to stably grow in line with the expansion of policy amount in force.
• Finally, I would like to summarize everything.

• Business areas such as entertainment and image sensors, which we have positioned as growth areas, are rich in opportunities for growth over the mid- to long-term, and we aim to grow through the unique competitiveness each business has in its area.

• On the other hand, since the operating environment this fiscal year is uncertain and there are many risks, we are operating the businesses with an emphasis on risk management.

• In the hardware businesses of ET&S, I&SS and G&NS, we are responding primarily to the stagnation of the Chinese economy, the slowdown of the economies mainly in Europe and the U.S., and geopolitical risks, while, in the Pictures business, we plan to focus on various issues such as the strikes in Hollywood. We have incorporated the expected impact of these factors and the measures we are taking in response into our current forecast.

• Inside Sony, we have begun to discuss the next mid-range plan which begins next fiscal year while looking to the potential market recovery from next fiscal year as an opportunity and preparing to reach our next stage of growth.

• That’s all for my explanation.
Notes about Adjusted OIBDA and Adjusted EBITDA

Adjusted OIBDA (Operating Income Before Depreciation and Amortization) and Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) are calculated by the following formulas:

Adjusted OIBDA = Operating income + Depreciation and amortization expense* - the profit and loss amount that Sony deems non-recurring
Adjusted EBITDA = Net income attributable to Sony Group Corporation’s stockholders + Net income attributable to noncontrolling interests + Income taxes + Interest expenses, net, recorded in Financial income and Financial expense - Gain on revaluation of equity instruments, net, recorded in Financial income and Financial expense + Depreciation and amortization expense* - the profit and loss amount that Sony deems non-recurring

* In the above formulas, depreciation and amortization expense excludes amortization for film costs and broadcasting rights, as well as for internally developed game content and master recordings included in Content assets.

Adjusted OIBDA and Adjusted EBITDA are not measures in accordance with IFRS. However, Sony believes that these disclosures may be useful information to investors. Adjusted OIBDA and Adjusted EBITDA should be considered in addition to, not as a substitute for, Sony’s results in accordance with IFRS.

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, and in the Pictures segment, the constant currency amounts are calculated by applying the monthly average U.S. dollar / yen exchange rates after aggregation on a U.S. dollar basis.

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 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 sales and operating income (loss) for that segment.

This information is not a substitute for Sony’s consolidated financial statements and condensed 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 Assurance Inc., and Sony Bank Inc. The results discussed in the Financial Services segment differ from the results that SFGI and SFGI’s consolidated subsidiaries disclose separately on a Japanese statutory basis.
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 forecast demands, manage timely procurement and control inventories;
(x) Sony’s ability to forecast 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;
(xi) Sony’s ability to recruit, retain and maintain productive relations with highly skilled personnel;
(xii) 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;
(xiii) 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;
(xiv) 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;
(xv) risks related to catastrophic disasters, geopolitical conflicts, pandemic disease or similar events;
(xvi) 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
(xvii) the outcome of pending and/or future legal and/or regulatory proceedings.

Risks and uncertainties also include the impact of any future events with material adverse impact. The continued impact of developments relating to the 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.