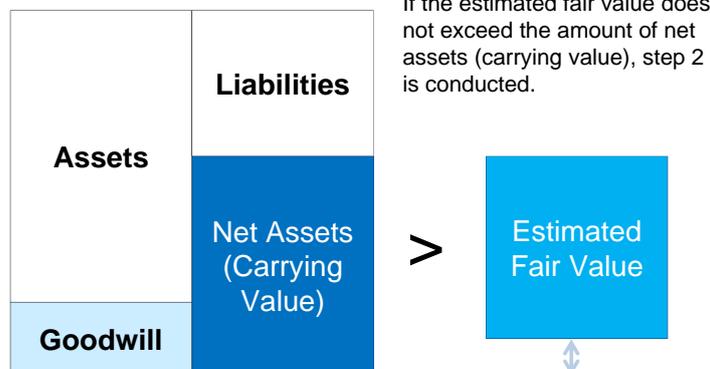


Goodwill Impairment Testing Process (Steps 1 and 2)

The diagrams below do not indicate actual numbers

Step 1: compare estimated fair value of the reporting unit with the amount of net assets (carrying value) of the unit, including goodwill.

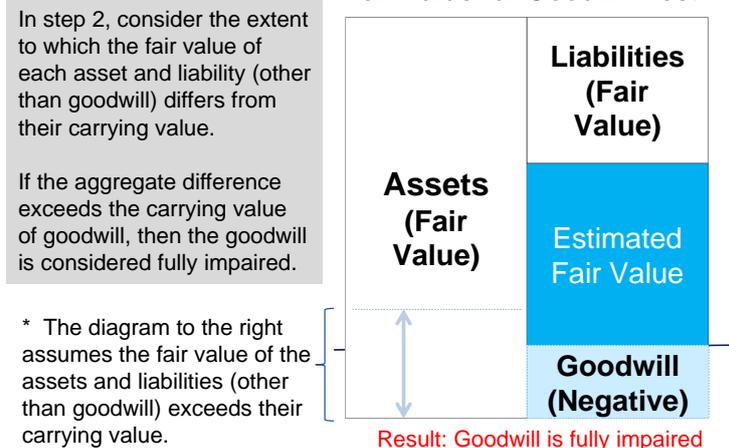
Balance Sheet
(Carrying Value)



If the estimated fair value does not exceed the amount of net assets (carrying value), step 2 is conducted.

Step 2: value each asset and liability in the reporting unit as if the unit were being acquired at the estimated fair value, and recalculate the implied fair value of the goodwill. If the implied fair value of the goodwill is below its carrying value, an impairment loss is recognized for the excess.

Fair Value for Goodwill Test



In step 2, consider the extent to which the fair value of each asset and liability (other than goodwill) differs from their carrying value.

If the aggregate difference exceeds the carrying value of goodwill, then the goodwill is considered fully impaired.

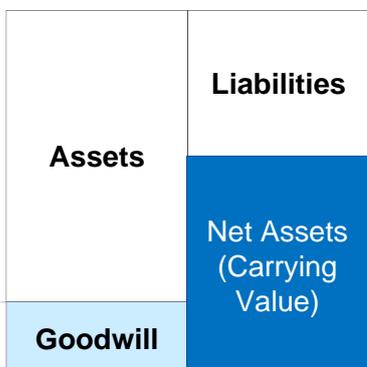
* The diagram to the right assumes the fair value of the assets and liabilities (other than goodwill) exceeds their carrying value.

* In connection with the impairment that occurred in the 3rd quarter of the fiscal year ending March 2017, the fair value of the assets and liabilities in the Production & Distribution reporting unit of the Pictures segment were determined to be above their carrying value (primarily capitalized film costs, including the value of the film library, intangible assets, including trade names and licensing agreements, and tangible assets, including land and buildings) in step 2. For more details about the impairment, please refer to Sony's press release "Sony Announces Goodwill Impairment in the Picture Segment" dated January 30, 2017.

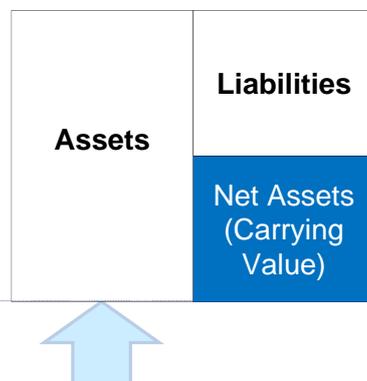
Goodwill Impairment Testing Process (Balance Sheet reflecting the step 2 result)

The diagrams below do not indicate actual numbers

Balance Sheet
Before Goodwill Impairment



Balance Sheet
After Goodwill Impairment



Goodwill is written down to the amount as calculated in step 2 (i.e., zero in the case where it is fully impaired).

* Other than goodwill, the fair value of the assets and liabilities calculated in step 2 is not reflected on the balance sheet or recognized as a profit.

* The entire amount, or 112.1 billion yen, of the goodwill of Production & Distribution was impaired in the 3rd quarter of the fiscal year ending March 2017. For more details about the impairment, please refer to Sony's press release "Sony Announces Goodwill Impairment in the Picture Segment" dated January 30, 2017.