

November 14, 2018

Sony Corporation

Sony Corporation Announces the Completion of the Acquisition of Equity Interest in EMI Music  
Publishing by its Wholly-owned Subsidiary

On November 14, 2018 (U.S. Eastern Standard Time), Sony Corporation of America, a wholly-owned subsidiary of Sony Corporation (“Sony”), completed the acquisition of the entirety of the approximately 60% equity interest held by the investor consortium led by Mubadala Investment Company in DH Publishing, L.P. (“EMI”), which owns and manages EMI Music Publishing, for the equity purchase price of 2.3 billion U.S. dollars, based on an enterprise value of 4.75 billion U.S. dollars. As a result of this acquisition, EMI has become a wholly-owned subsidiary of Sony. This acquisition follows the previously announced signing of a definitive agreement on June 29, 2018.

As a result of this acquisition, Sony expects to record additional operating income of approximately 105 billion yen, representing a non-cash step-up gain for the approximately 40% equity interest in EMI that Sony already owned and reflecting costs relating to the acquisition, in the Music segment in the third quarter of the fiscal year ending March 31, 2019. Sony also assumed EMI’s existing interest-bearing debt of approximately 1.3 billion U.S. dollars as a result of this acquisition, of which 0.96 billion U.S. dollars was repaid immediately from Sony’s existing cash.

The expected impact of this transaction on Sony’s consolidated results has already been incorporated into the forecast for consolidated financial results for the fiscal year ending March 31, 2019, as announced on October 30, 2018. As previously announced, Sony is currently evaluating the income tax expense expected to result from the closing of this transaction.

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