Announcement of Decision Regarding Company Split (Small-scale Company Split) of Electronics Products & Solutions Business

Sony Corporation (“Sony” and, together with its consolidated subsidiaries, “Sony Group”) today announced that Sony Mobile Communications Inc. (“SOMC”) will succeed to certain rights and obligations related to Sony’s electronics products & solutions business (“Business”) by an “absorption-type company split” (“Company Split”), as set forth below.

Certain information is omitted from this announcement since this Company Split is a “small-scale Company Split” with Sony’s indirectly wholly-owned subsidiary.

1. Purpose of the Company Split

As announced on May 19, 2020 in a press release titled “Announcement of New Sony Group Organizational Structure”, Sony will change its company name and relaunch as “Sony Group Corporation” as of April 1, 2021. Sony currently has two functions, one as the headquarters of Sony Group and the other to provide overall management support for its electronics businesses. These functions will be separated and redefined, with Sony Group Corporation focusing on its role as the headquarters of Sony Group. In connection with this organizational change, Sony will perform the Company Split for the purpose of transferring to SOMC certain rights and obligations related to the Business as part of the transfer of certain functions regarding Sony’s electronics business. In conjunction with the Company Split, SOMC as the surviving company plans to perform an absorption-type merger as of April 1, 2021 where Sony Electronics Corporation (“SEC”), a wholly-owned subsidiary of Sony, Sony Imaging Products & Solutions Inc. and Sony Home Entertainment & Sound Products Inc., both of which are wholly-owned subsidiaries of SEC, as the absorbed companies, will be merged into SOMC (“4 Company Merger”). While Sony had previously announced that Sony Electronics Corporation would succeed to the company name “Sony Corporation” in conjunction with the launch of Sony Group Corporation, SOMC, as the surviving company of the 4 Company Merger, will be the successor to the company name “Sony Corporation” as a result of the 4 Company Merger.

2. Summary of the Company Split

(1) Schedule of the Company Split

| Approval of the Company Split agreement (by the representative corporate executive officer) | To be determined |
| Execution of the Company Split agreement | To be determined |
| Effective date of the Company Split | April 1, 2021 (scheduled) |

* Sony will perform the Company Split without obtaining shareholder approval of the company split agreement pursuant to the provisions of the “small-scale company split” as set forth in Paragraph 2 of Article 784 of the Companies Act of Japan.

(2) Method of the Company Split

The method of the Company Split is an absorption-type company split between Sony (as the splitting company) and SOMC (as the successor company).
(3) Details of consideration allotted upon the Company Split

SOMC will issue common shares (the details of which will be decided separately upon the discussion between Sony and SOMC) to Sony upon the completion of the Company Split as consideration for the assets, liabilities, agreements, and other rights and obligations transferred to SOMC.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights of the splitting company

There will be no changes to the treatment of stock acquisition rights or bonds with stock acquisition rights of Sony upon the completion of the Company Split.

(5) Increase or decrease of the stated capital upon the Company Split

There will be no increase or decrease in Sony’s stated capital upon the completion of the Company Split.

(6) Rights and obligations to be succeeded by the successor company

SOMC, as the successor company, will succeed to certain rights and obligations related to the Business, such as assets, liabilities, agreements, and other rights and obligations as set forth in the company split agreement.

(7) Expectation on the performance capabilities of the successor company’s obligations

Sony expects that SOMC will be able to perform its obligations that become due after the effective date of the Company Split. While, according to the balance sheet of SOMC, SOMC’s liabilities exceeded its assets as of March 31, 2020, it is expected that such excess liabilities will be eliminated by the effective date of the Company Split and Sony does not expect any situation where SOMC would fail to perform its obligations.

3. Summary of both parties (the numbers and information shown below are as of March 31, 2020 for each of Sony and SOMC)

(1) Summary of both parties

<table>
<thead>
<tr>
<th>Trade name</th>
<th>Sony Corporation (Splitting Company)</th>
<th>Sony Mobile Communications Inc. * (Successor Company)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of head office</td>
<td>7-1, Konan 1-chome, Minato-ku, Tokyo, Japan</td>
<td>12-3, 4 Cho-me, Higashi-shinagawa, Shinagawa-ku, Tokyo</td>
</tr>
<tr>
<td>Title and name of Representative</td>
<td>Kenichiro Yoshida Representative Corporate Executive Officer, Chairman, President and CEO</td>
<td>Mitsuya Kishida Representative Director, President and CEO</td>
</tr>
<tr>
<td>Business</td>
<td>Manufacturing of electronic data processing machines, digital and analog computer, equipment and accessories</td>
<td>Design, development, manufacturing, and sales of mobile phones</td>
</tr>
<tr>
<td>Stated capital</td>
<td>¥ 880,214 million</td>
<td>¥ 3,000 million</td>
</tr>
</tbody>
</table>
Since Sony prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States, “total equity”, “income before income taxes”, “net income attributable to Sony’s stockholders” and “net income attributable to Sony’s stockholders per share of common stock” are stated in place of “Net assets”, “Ordinary income”, “Net income” and “Net income per share”, respectively.

* SOMC plans to perform the 4 Company Merger on April 1, 2021.

(2) Summary of business subject to the Company Split
Sony’s electronics products & solutions business

(3) Operating results of the Business transferred by the Company Split
Net sales: Undetermined

(4) Assets and liabilities to be succeeded upon the Company Split
Assets: Undetermined
Liabilities: Undetermined

4. Status after the Company Split

As described in “1. Purpose of the Company Split” above, Sony will change its company name to “Sony Group Corporation” as of April 1, 2021. Otherwise, upon the completion of the Company Split, there will be no changes in the location of the head office, the title and name of representatives, the business (excluding the Business transferred by the Company Split), the stated capital or the fiscal year-end of Sony.

As described in “1. Purpose of the Company Split” above, SOMC will change its company name to “Sony Corporation” as of April 1, 2021. In addition, SOMC will change its representative to Kimio Maki as of April 1, 2021. SOMC plans to change the location of its head office to Minato-ku, Tokyo and to amend its articles of incorporation to change its business purpose to manufacturing and sales of electronic and electrical machines and equipment by April 1, 2021. Otherwise, upon the completion of the Company Split, there will be no changes in the stated capital or the fiscal year-end of SOMC.

5. Outlook after the Company Split

No material impact on Sony’s consolidated financial results for the fiscal year ending March 31, 2021 is anticipated as a result of the completion of the Company Split.

(For reference) Sony’s consolidated financial forecast for the fiscal year ending March 31, 2021, which was announced on October 28, 2020, and its consolidated financial results for the fiscal year ended March 31, 2020 are presented in the table below.

<table>
<thead>
<tr>
<th>(Yen in millions)</th>
<th>Sales and operating revenue</th>
<th>Operating income</th>
<th>Income before income taxes</th>
<th>Net income attributable to Sony Corporation’s stockholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated financial forecast for the fiscal year ending March 31, 2021</td>
<td>8,500,000</td>
<td>700,000</td>
<td>765,000</td>
<td>800,000</td>
</tr>
<tr>
<td>Consolidated financial results for the fiscal year ended March 31, 2020</td>
<td>8,259,885</td>
<td>845,459</td>
<td>799,450</td>
<td>582,191</td>
</tr>
</tbody>
</table>