

### Financial Targets of the Entertainment Businesses

(Tokyo, Japan – November 18, 2014) - Sony Corporation (“Sony”) today announced its financial targets for the Pictures and Music segments for the fiscal year ending March 31, 2018, as set out in the table below.

■ Financial targets for the fiscal year ending March 31, 2018

Pictures Segment	Sales <sup>1</sup>	10~11 billion U.S. dollars
	Operating income margin	7~8%
	Operating income margin before “Depreciation and amortization” <sup>2</sup> and “Restructuring charges” <sup>3</sup>	9~10%
Music Segment	Sales <sup>1</sup>	4.8~5.2 billion U.S. dollars
	Operating income margin	10.5~11.5%
	Operating income margin before “Depreciation and amortization” <sup>2</sup> and “Restructuring charges” <sup>3</sup>	13.5~14.5%

Sony also announced that it has increased its approximately 250 million U.S. dollars in targeted overhead and procurement savings in its Pictures segment that it announced in November 2013, by 50 million U.S. dollars, for a total of approximately 300 million U.S. dollars. Sony expects these annualized savings to be fully implemented by the end of the fiscal year ending March 31, 2016.

■ Forecast for the fiscal year ending March 31, 2015

Pictures Segment	Sales <sup>1</sup>	8.1 billion U.S. dollars
	Operating income margin	6.6%
	Operating income margin before “Depreciation and amortization” <sup>2</sup> and “Restructuring charges” <sup>3</sup>	8.9%
Music Segment	Sales <sup>1</sup>	4.8 billion U.S. dollars
	Operating income margin	9.8%
	Operating income margin before “Depreciation and amortization” <sup>2</sup> and “Restructuring charges” <sup>3</sup>	12.8%

*The U.S. dollar targets and forecasts in the Pictures segment are consistent with the U.S. dollar figures that Sony Pictures Entertainment consolidates from its global operations prior to reporting them to Sony Corporation in Tokyo, where they are converted into yen.*

*The U.S. dollar targets in the Music segment for the fiscal year ending March 31, 2018 are derived by converting Sony Music Entertainment Japan’s yen target for the segment into U.S. dollars at a rate of ¥110 = U.S. \$1, which is the assumed foreign currency exchange rate for the second half of the fiscal year ending March 31, 2015 (“the current fiscal year”), and adding the product to Sony Music Entertainment and Sony / ATV Music Publishing’s U.S. dollar target for each line item.*

*The U.S. dollar forecasts in the Music segment for the current fiscal year are based on the yen-based forecast for this segment as announced on October 31, 2014 and are derived by converting Sony Music Entertainment Japan’s yen target for each line item into U.S. dollars at a rate of ¥106 = U.S. \$1 (the average exchange rate calculated from the actual rate for the first half of the current fiscal year and the assumed rate for the second half of the current fiscal year) and adding the product to Sony Music Entertainment and Sony / ATV Music Publishing’s U.S. dollar target for each line item.*

<sup>1</sup> Includes operating revenue and intersegment sales

<sup>2</sup> “Depreciation and amortization” excludes amortization of film costs.

<sup>3</sup> Operating income margin before “Depreciation and amortization” and “Restructuring charges” is not a measure in accordance with U.S. GAAP. Sony does not believe that this measure is a substitute for operating income in accordance with U.S. GAAP. However, Sony believes that this supplemental disclosure for the Pictures and Music segments may provide additional useful analytical information to investors.

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## Cautionary Statement

Statements made in this release 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) the global economic environment in which Sony operates and the economic conditions in Sony’s markets, particularly levels of consumer spending;
- (ii) 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 and liabilities are denominated;
- (iii) 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 televisions, game platforms and smartphones, 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 consumer preferences;
- (iv) Sony’s ability and timing to recoup large-scale investments required for technology development and production capacity;
- (v) Sony’s ability to implement successful business restructuring and transformation efforts under changing market conditions;
- (vi) Sony’s ability to implement successful hardware, software, and content integration strategies for all segments excluding the Financial Services segment, and to develop and implement successful sales and distribution strategies in light of the Internet and other technological developments;
- (vii) Sony’s continued ability to devote sufficient resources to research and development and, with respect to capital expenditures, to prioritize investments correctly (particularly in the electronics businesses);
- (viii) Sony’s ability to maintain product quality;
- (ix) the effectiveness of Sony’s strategies and their execution, including but not limited to the success of Sony’s acquisitions, joint ventures and other strategic investments;
- (x) significant volatility and disruption in the global financial markets or a ratings downgrade;
- (xi) Sony’s ability to forecast demands, manage timely procurement and control inventories;
- (xii) the outcome of pending and/or future legal and/or regulatory proceedings;
- (xiii) 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;
- (xiv) the impact of 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; and
- (xv) risks related to catastrophic disasters or similar events.

Risks and uncertainties also include the impact of any future events with material adverse impact.