



FY2016 Consolidated Financial Results

(Fiscal year ended March 31, 2017)

April 28, 2017

Sony Corporation

FY2016 Consolidated Results

	FY15	FY16	Change	(Bln Yen)
Sales & operating revenue	8,105.7	7,603.3	-6.2%	
Operating income	294.2	288.7	-1.9%	
Income before income taxes	304.5	251.6	-17.4%	
Net income attributable to Sony Corporation's stockholders	147.8	73.3	-50.4%	
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	117.49 yen	56.89 yen	-51.6%	
Restructuring charges ^{*1}	38.3	60.2	+57.4%	
Additions to long-lived assets ^{*2}	468.9	272.2	-42.0%	
Depreciation and amortization ^{*3}	397.1	327.0	-17.6%	
Research and development expenses	468.2	447.5	-4.4%	
Average rate				
1 US dollar	120.1 yen	108.4 yen		
1 Euro	132.6 yen	118.8 yen		

*1 Restructuring charges are included in operating income as operating expenses (applies to all following pages)

*2 Does not include the increase in intangible assets resulting from acquisitions (applies to all following pages)

*3 Includes amortization expenses for intangible assets and for deferred insurance acquisition costs (applies to all following pages)

Q4 FY2016 Consolidated Results

	Q4 FY15	Q4 FY16	Change	(Bln Yen)
Sales & operating revenue	1,824.1	1,903.6	+4.4%	
Operating income	-92.9	94.4	-	
Income before income taxes	-99.7	87.9	-	
Net income attributable to Sony Corporation's stockholders	-88.3	27.7	-	
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	-70.03 yen	21.45 yen	-	
Restructuring charges	16.4	20.8	+26.6%	
Additions to long-lived assets	139.6	84.0	-39.8%	
Depreciation and amortization	122.0	67.5	-44.7%	
Research and development expenses	128.1	122.3	-4.5%	
Average rate				
1 US dollar	115.4 yen	113.7 yen		
1 Euro	127.2 yen	121.1 yen		

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FY2016 Results by Segment [Reclassified]

		FY15	FY16	Change	FX Impact	(Bln Yen)
Mobile Communications (MC)	Sales	1,127.5	759.1	-32.7%	-3%	
	Operating income	-61.4	10.2	+71.6 bln yen	+26.1 bln yen	
Game & Network Services (G&NS)	Sales	1,551.9	1,649.8	+6.3%	-9%	
	Operating income	88.7	135.6	+46.9 bln yen	-2.2 bln yen	
Imaging Products & Solutions (IP&S)	Sales	684.0	579.6	-15.3%	-8%	
	Operating income	69.3	47.3	-22.1 bln yen	-26.5 bln yen	
Home Entertainment & Sound (HE&S)	Sales	1,159.0	1,039.0	-10.4%	-10%	
	Operating income	50.6	58.5	+7.9 bln yen	-13.4 bln yen	
Semiconductors	Sales	739.1	773.1	+4.6%	-10%	
	Operating income	14.5	-7.8	-22.3 bln yen	-43.7 bln yen	
Components	Sales	224.6	195.4	-13.0%	-8%	
	Operating income	-42.9	-60.4	-17.5 bln yen	-3.9 bln yen	
Pictures	Sales	938.1	903.1	-3.7%	-9%	
	Operating income	38.5	-80.5	-119.0 bln yen		
Music	Sales	619.2	647.7	+4.6%	-6%	
	Operating income	86.5	75.8	-10.7 bln yen		
Financial Services	Revenue	1,073.1	1,087.5	+1.3%		
	Operating income	156.5	166.4	+9.9 bln yen		
All Other	Sales	332.2	267.0	-19.6%		
	Operating income	1.7	30.9	+29.2 bln yen		
Corporate and elimination	Sales	-343.0	-298.1	-		
	Operating income	-107.7	-87.1	+20.6 bln yen		
Consolidated total	Sales	8,105.7	7,603.3	-6.2%		
	Operating income	294.2	288.7	-5.5 bln yen		

- Due to Sony's modification to its organizational structure in FY2016, certain figures in past fiscal years have been reclassified to conform to the presentation of FY2016 (applies to all following pages)
- Sales and Revenue in each business segment represents sales and revenue recorded before intersegment transactions are eliminated. 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)
- Both Sales and Revenue include sales and operating revenue (applies to all following pages)
- For definition of FX Impact, please see P.11 of "Consolidated Financial Results for the Fiscal Year Ended March 31, 2017" (applies to all following pages)

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Q4 FY2016 Results by Segment [Reclassified]

		Q4 FY15	Q4 FY16	Change	FX Impact	(Bln Yen)
Mobile Communications (MC)	Sales	183.2	155.9	-14.9%	-1%	
	Operating income	-42.1	-15.2	+26.9 bln yen	+4.3 bln yen	
Game & Network Services (G&NS)	Sales	315.5	381.8	+21.0%	-3%	
	Operating income	5.1	22.5	+17.4 bln yen	-1.5 bln yen	
Imaging Products & Solutions (IP&S)	Sales	153.5	154.9	+0.9%	-2%	
	Operating income	5.7	3.8	-1.9 bln yen	-2.1 bln yen	
Home Entertainment & Sound (HE&S)	Sales	214.8	214.8	-0.0%	-2%	
	Operating income	-7.3	-5.2	+2.1 bln yen	-0 bln yen	
Semiconductors	Sales	147.9	201.1	+36.0%	-2%	
	Operating income	-73.6	12.8	+86.3 bln yen	-1.6 bln yen	
Components	Sales	49.0	53.2	+8.4%	-2%	
	Operating income	-6.4	-15.3	-9.0 bln yen	-0.1 bln yen	
Pictures	Sales	320.7	302.5	-5.7%	-1%	
	Operating income	52.3	33.7	-18.6 bln yen		
Music	Sales	167.9	177.0	+5.4%	-1%	
	Operating income	13.3	15.4	+2.1 bln yen		
Financial Services	Revenue	260.9	275.1	+5.5%		
	Operating income	17.2	55.3	+38.1 bln yen		
All Other	Sales	73.9	65.6	-11.1%		
	Operating income	-4.4	27.4	+31.8 bln yen		
Corporate and elimination	Sales	-63.3	-78.4	-		
	Operating income	-52.7	-40.7	+12.0 bln yen		
Consolidated total	Sales	1,824.1	1,903.6	+4.4%		
	Operating income	-92.9	94.4	+187.3 bln yen		

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Estimated Impact of the 2016 Kumamoto Earthquakes on Operating Income

		Estimated Impact on Q1	Estimated Impact on Q2	Estimated Impact on Q3	Estimated Impact on Q4	Estimated Impact on FY16	(Bln yen)
Imaging Products & Solutions (IP&S)	Earthquake Impact (Opportunity losses only)	-7.0	-3.0	-0.5	-	-10.5	
	Total Earthquake Impact	-24.7	-9.9	-3.1	-1.1	-38.8	
Semiconductors	Physical Damage	-6.8	-7.2	-1.7	-1.0	-16.7	
	Recovery expenses and others	-1.3	-0.3	-0.1	-0.1	-1.8	
	Opportunity Losses	-16.6	-2.4	-1.3	-	-20.3	
Corporate	Earthquake Impact (Opportunity losses only)	-2.5	-0.8	-0.2	-	-3.5	
	Total Earthquake Impact	-34.2	-13.7	-3.8	-1.1	-52.8	
Consolidated total	Physical Damage	-6.8	-7.2	-1.7	-1.0	-16.7	
	Recovery expenses and others	-1.3	-0.3	-0.1	-0.1	-1.8	
	Opportunity Losses	-26.1	-6.2	-2.0	-	-34.3	

- Figures shown above do not include expected insurance recoveries
- Opportunity losses include idle facility costs at manufacturing sites and lost profit from missed sales opportunities
- Opportunity losses in Corporate are fixed costs that were scheduled to be allocated to the IP&S and Semiconductors segments based on sales, but were not allocated, because the sales of the two segments were lower than originally expected.

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FY2017 Consolidated Results Forecast

(Bln Yen)

	FY15	FY16	FY17 FCT	Change from FY16
Sales & operating revenue	8,105.7	7,603.3	8,000	+5.2%
Operating income	294.2	288.7	500	+73.2%
Income before income taxes	304.5	251.6	470	+86.8%
Net income attributable to Sony Corporation's Stockholders	147.8	73.3	255	+247.9%
Restructuring charges	38.3	60.2	15	-75.1%
Additions to long-lived assets	468.9	272.2	330	+21.2%
Depreciation & amortization	397.1	327.0	355	+8.5%
Research & development expenses	468.2	447.5	450	+0.6%
Foreign exchange rates	Actual	Actual	Assumption	
1 US dollar	120.1 yen	108.4 yen	Approx. 105 yen	
1 Euro	132.6 yen	118.8 yen	Approx. 110 yen	

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FY2017 Results Forecast by Segment [Reclassified]

(Bln Yen)

		FY16 Results	FY17 FCT	Change from FY16	Segment Forecast FX Rate Assumption
Mobile Communications (MC)	Sales	759.1	820	+8.0%	1 US dollar 110 yen
	Operating income	10.2	5	-5.2 bln yen	
Game & Network Services (G&NS)	Sales	1,649.8	1,890	+14.6%	1 Euro 115 yen
	Operating income	135.6	170	+34.4 bln yen	
Imaging Products & Solutions (IP&S)	Sales	579.6	640	+10.4%	Consolidated Forecast FX Rate Assumption
	Operating income	47.3	60	+12.7 bln yen	
Home Entertainment & Sound (HE&S)	Sales	1,039.0	1,120	+7.8%	1 US dollar 105 yen
	Operating income	58.5	58	-0.5 bln yen	
Semiconductors	Sales	773.1	880	+13.8%	1 Euro 110 yen
	Operating income	-7.8	120	+127.8 bln yen	
Pictures	Sales	903.1	1,020	+12.9%	
	Operating income	-80.5	39	+119.5 bln yen	
Music	Sales	647.7	630	-2.7%	Impact of the difference between the assumed rates for the consolidated results and the rates used when the individual segments completed their forecasts has been included in the forecast for All Other, Corporate and elimination (approx. 40 bln yen negative impact)
	Operating income	75.8	75	-0.8 bln yen	
Financial Services	Revenue	1,087.5	1,170	+7.6%	The above-mentioned impact includes impact from emerging market currencies
	Operating income	166.4	170	+3.6 bln yen	
All Other, Corporate and elimination	Operating income	-116.7	-197	-80.3 bln yen	
Consolidated total	Sales	7,603.3	8,000	+5.2%	
	Operating income	288.7	500	+211.3 bln yen	

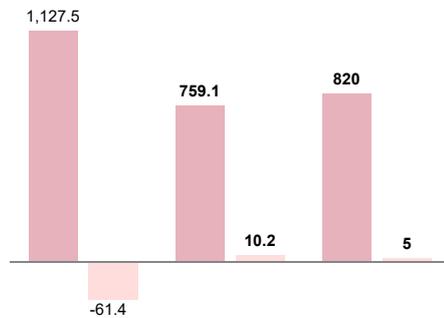
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Mobile Communications Segment

Sales and Operating Income

■ Sales
■ Operating Income

(Bln Yen)



(Mln Units)	FY15	FY16	FY17 FCT
Smartphones	24.9	14.6	16.5

FY2016

- Sales: 32.7% decrease (FX Impact: -3%)
 - (-) Decrease in smartphone unit sales mainly in Europe, the Middle East and Latin America
 - (-) Significant downsizing of unit sales in unprofitable regions
- OI: 71.6 bln yen improvement (FX Impact: +26.1bln yen)
 - (+) Reduction in operating costs including the benefit of restructuring initiatives
 - (+) Improvement in profitability resulting from a concentrating on fewer geographic areas and a focus on high value-added models
 - (+) Positive impact of foreign exchange rates
 - (+) Reduction in restructuring charges
 - (-) Decrease in sales

FY2017 Forecast

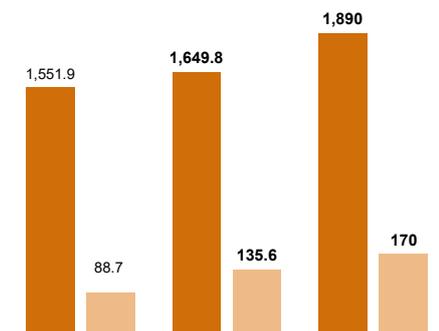
- Sales: 8.0% increase
 - (+) Increase in smartphone unit sales
- OI: 5.2 bln yen decrease
 - (-) Negative impact of foreign exchange rates
 - (-) Increase in the price of key components
 - (+) Reduction in operating cost

Game & Network Services Segment

Sales and Operating Income

■ Sales
■ Operating Income

(Bln Yen)



(Mln Units)	FY15	FY16	FY17 FCT
PS4	17.7	20.0	18

FY2016

- Sales: 6.3% increase (FX Impact: -9%)
 - (+) Increase in PS4 software sales including sales through the network
 - (+) Increase in PS4 hardware sales
 - (-) Impact of foreign exchange rates
 - (-) Impact of price reduction for PS4 hardware
- OI: 46.9 bln yen increase (FX Impact: -2.2 bln yen)
 - (+) PS4 hardware cost reductions
 - (+) Increase in PS4 software sales
 - (-) Impact of price reduction for PS4 hardware
 - (-) Decrease in PS3 software sales

FY2017 Forecast

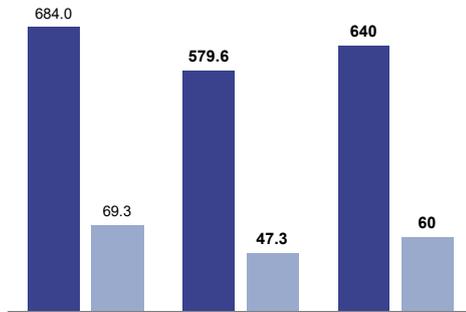
- Sales: 14.6% increase
 - (+) Increase in network sales
- OI: 34.4 bln yen increase
 - (+) Increase in sales

Imaging Products & Solutions Segment

Sales and Operating Income

■ Sales
■ Operating Income

(Bln Yen)



(Min Units)	FY15	FY16	FY17 FCT
Digital Cameras*	6.1	4.2	3.8

* Includes compact digital cameras and interchangeable single-lens cameras / Excludes interchangeable lenses

FY2016

- Sales: 15.3% decrease (FX Impact: -8%)
 - (-) Impact of foreign exchange rates
 - (-) Decrease in unit sales resulting from the 2016 Kumamoto Earthquakes
- OI: 22.1 bln yen decrease (FX Impact: -26.5 bln yen)
 - (-) Negative impact of foreign exchange rates
 - (-) Impact of the decrease in unit sales resulting from the 2016 Kumamoto Earthquakes
 - (+) Improvement in the product mix of Still and Video Cameras reflecting a shift to high value-added models
 - (+) Cost reductions

FY2017 Forecast

- Sales: 10.4% increase
 - (+) Improvement in the product mix of Still and Video Cameras reflecting a shift to high value-added models
- OI: 12.7 bln yen increase
 - (+) Improvement in the product mix

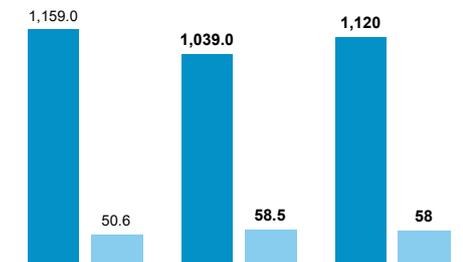
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Home Entertainment & Sound Segment

Sales and Operating Income

■ Sales
■ Operating Income

(Bln Yen)



(Min Units)	FY15	FY16	FY17 FCT
TVs	12.2	12.1	12

FY2016

- Sales: 10.4% decrease (FX Impact: -10%)
 - (-) Impact of foreign exchange rates
- OI: 7.9 bln yen increase (FX Impact: -13.4 bln yen)
 - (+) Improvement in product mix reflecting a shift to high value-added models
 - (-) Negative impact of foreign exchange rates
 - (-) Increase in expenses resulting from the change in the method of calculating royalties and other costs

FY2017 Forecast

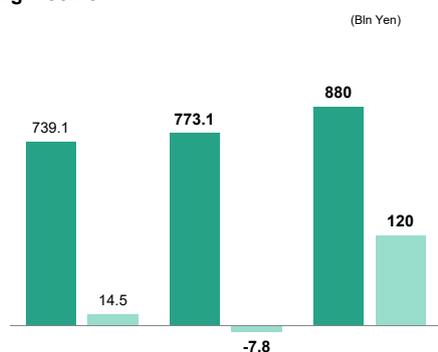
- Sales: 7.8% increase
 - (+) Improvement in product mix reflecting a shift to high value-added models
- OI: 0.5 bln yen decrease
 - (-) Increase in the price of key components
 - (+) Improvement in product mix

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Semiconductors Segment

Sales and Operating Income

■ Sales
■ Operating Income



	FY15	FY16	FY17 FCT
Image Sensors ^{**} Sales	477.6	548.6	680
Additions to long-lived assets for Semiconductors Segment	260.0	84.0	130
for Image Sensors ^{**} (included above)	206.0	45.0	110

^{**} Category changes

Image sensors with sensing capabilities previously included in Other are now integrated into the Image Sensors category

FY2016

- Sales: 4.6% increase (FX Impact: -10 %)
 - (+)
 Significant increase in unit sales of image sensors mainly for mobile products
 - (-) Impact of foreign exchange rates
 - (-) Significant decrease in sales of camera modules, a business which was downsized
 - (-) Decrease in production due to the 2016 Kumamoto Earthquakes
- OI: 22.3 bln yen deterioration (FX Impact: -43.7 bln yen)
 - (-) Negative impact of foreign exchange rates
 - (-) Net expenses of 15.4 bln yen resulting from the 2016 Kumamoto Earthquakes²
 - (-) 6.5 bln yen in inventory write-down of certain image sensors for mobile products
 - (+)
 Increase in sales
- (+)
- Decrease in impairment charges against long-lived assets related to the camera module business

FY2017 Forecast

- Sales: 13.8% increase
 - (+)
 Increase in image sensor sales for mobile products.
 - (+)
 Absence of the impact of the 2016 Kumamoto Earthquake which resulted in a production decrease in FY16
- OI: 127.8 bln yen improvement
 - (+)
 Gain on sale of a manufacturing subsidiary of camera module business (Approx. 27 bln yen)
- (+)
- Increase in sales
- (+)
- Absence of impairment charges against long-lived assets related to the camera module business and net expense resulting from the 2016 Kumamoto Earthquakes in FY16

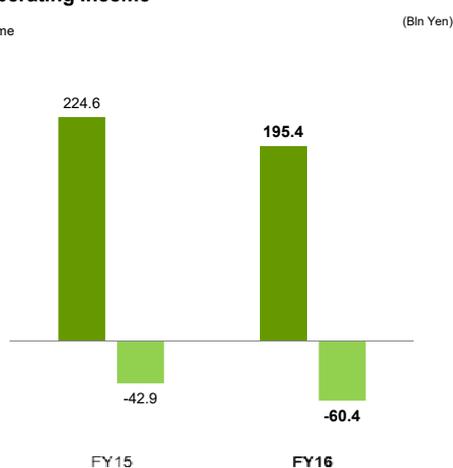
²Includes repair costs of certain fixed assets and a loss on disposal of inventories directly damaged by the earthquakes (net of probable insurance recoveries) as well as idle facility costs at manufacturing sites affected by the earthquakes. Does not include lost profit from missed sales opportunities.

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Components Segment

Sales and Operating Income

■ Sales
■ Operating Income



FY2016

- Sales: 13.0% decrease (FX Impact: -8 %)
 - (-) Impact of foreign exchange rates
 - (-) Decrease in battery business sales
- OI: 17.5 bln yen deterioration (FX Impact: -3.9 bln yen)
 - (-) Impairment charge related to the planned transfer of the battery business (42.3 bln yen)
 - (-) Decrease in sales
 - (+)
 Absence of the impairment charge related to long-lived assets of the battery business recorded in FY15 (30.6 bln yen).

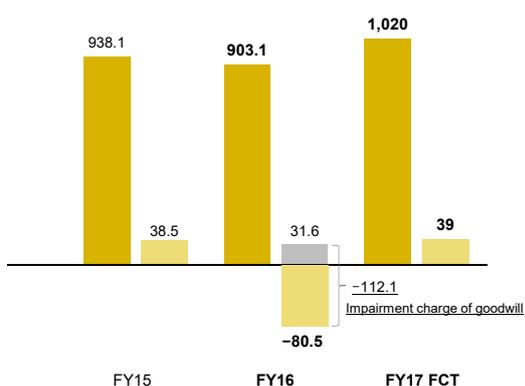
· Sony will realign its business segments from the first quarter of the fiscal year ending March 31, 2018 to reflect modifications to its organizational structure as of April 1, 2017, repositioning the former Components segment to All Other.

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Pictures Segment

Sales and Operating Income

■ Sales
■ Operating Income (Bln Yen)



FY2016

- Sales: 3.7% decrease (U.S. dollar basis: +5%)
The following sales analysis is on a U.S. dollar basis
 - (+ Increase in Television Productions sales due to higher subscription video-on-demand licensing revenues
 - (- Increase in Media Networks sales due to higher advertising and subscription revenues mainly in India, Latin America and the U.S.
- OI: 119.0 bln yen deterioration
 - (-) 112.1 billion yen impairment charge of goodwill (962 million U.S. dollars)
 - (-) Higher programming and marketing expenses for Media Networks
 - (-) Higher theatrical marketing expenses for Motion Pictures

FY2017 Forecast

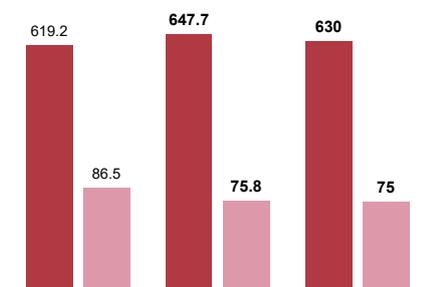
- Sales: 12.9% increase
 - (+ Increase in Media Networks and Television Production sales
- OI: 119.5 bln yen improvement
 - (+ Absence of the impairment charge of goodwill recorded in FY16

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Music Segment

Sales and Operating Income

■ Sales
■ Operating Income (Bln Yen)



FY2016

- Sales: 4.6% increase (FX Impact: -6%)
 - (+ Increase in Visual Media and Platform sales due to the strong performance of *Fate/Grand Order*, a game application for mobile devices in Japan
 - (+ Increase in Recorded Music sales due to higher digital streaming revenues
 - (- Impact of the appreciation of the yen against the U.S. dollar
- OI: 10.7 bln yen decrease
 - (-) Absence of the 151 mln U.S. dollar (18.1 bln yen) gain that was recorded in the previous fiscal year, on the remeasurement of SME's equity interest in The Orchard
 - (- Negative impact of the appreciation of the yen against the U.S. dollar
 - (+ Increase in sales

FY2017 Forecast

- Sales: 2.7% decrease
 - (- Decline in physical and digital download sales
 - (+ Increase in digital streaming
- OI: 0.8 bln yen decrease
 - (- Decline in physical and digital download sales
 - (+ Increase in digital streaming

	FY15	FY16	FY17 FCT
Recorded Music Category Revenue	412.7	388.9	-
Streaming* Revenue (included above)	110.2	140.6	-

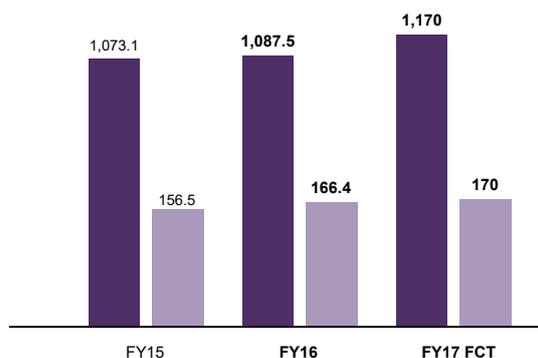
*1 Streaming includes digital audio, digital video and digital radio, and includes revenue from both subscription and ad-supported services

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Financial Services Segment

Financial Services Revenue and Operating Income

■ Financial Services Revenue (Bln Yen)
■ Operating Income



FY2016

- Revenue: 1.3% increase
 - Revenue at Sony Life: essentially flat year-on-year (revenue: 965.6 bln yen)
 - (+) Improvement in investment performance in the separate account driven by rise in the stock market
 - (-) Decrease in insurance premium revenue and a deterioration in investment performance in the general account
- OI: 9.9 bln yen increase
 - (+) Increase in OI of Sony Life (15.5 bln yen increase, OI: 154.3 bln yen)
 - (+) Decreases in the amortization of deferred insurance acquisition costs and the provision of policy reserves, primarily driven by an increase in interest rates and the improvement in the stock market
 - (-) Decline in net gains on sales of securities in the general account

FY2017 Forecast

- Revenue: 7.6% increase
 - (+) Increase in insurance premium revenue reflecting an increase in policy amount in force at Sony Life
- OI : 3.6 bln yen increase
 - (+) Increase in revenue
 - (-) Positive impact of market fluctuations realized in the previous fiscal year not being incorporated into the forecast

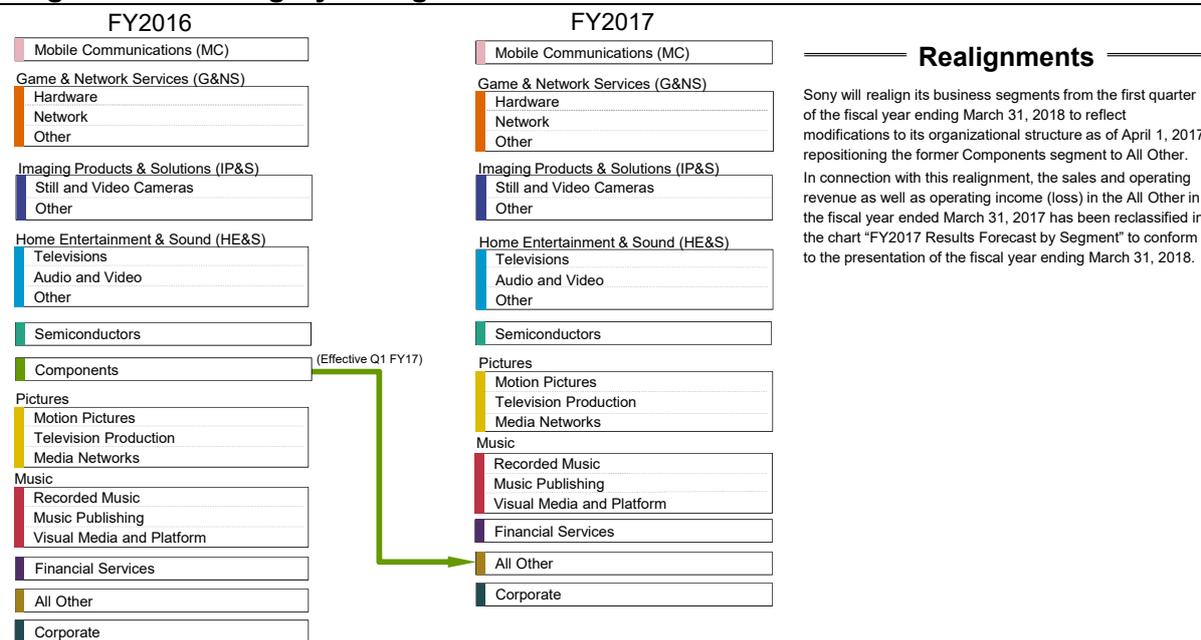
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The following figures previously included in this handout are now included in the "Supplemental Information of the Consolidated Financial Results."

- Average foreign exchange rates
- Results by segment
- Sales to customers by product category (to external customers)
- Depreciation and amortization by segment
- Amortization of film costs
- Restructuring charges by segment
- Period-end exchange rates
- Inventory by segment
- Film costs (balance)
- Long-lived assets by segment
- Goodwill by segment
- Research and development expenses by segment
- Return on Invested Capital (ROIC)
- Additions to long-lived assets excluding Financial Services
- Depreciation and amortization excluding Financial Services
- Unit sales of key products

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Segment and Category Realignment



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Cash, Debt Balance (Sony without Financial Services)

(Bln Yen)

		FY14 (As of March 31, 2015)	FY15 (As of March 31, 2016)	FY16 (As of March 31, 2017)
Cash	Cash and cash equivalents	741.9	749.9	691.8
Debt	Total Debt	886.3	769.1	716.1
	Short-term borrowings	215.2	243.5	106.4
	Long-term debt	671.1	525.5	609.7
Cash – Debt (Net Cash Position)		-144.4	-19.1	-24.4

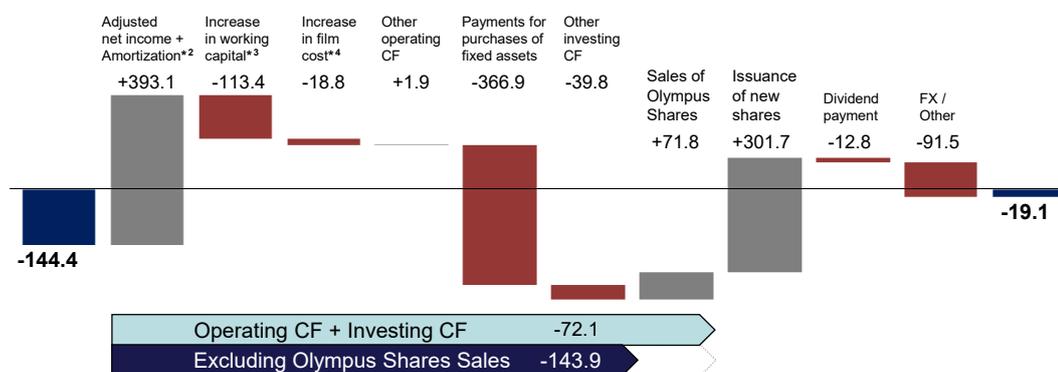
*Please refer to F-14 for a condensed balance sheet for Sony without Financial Services in "Consolidated Financial Results for the Fiscal Year Ended March 31, 2017".

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FY2015 Cash Flow (CF) Analysis (Sony without Financial Services)

(Bln Yen)

As of March 31, 2015				As of March 31, 2016
Cash – Debt ^{*1} (Net Cash Position)	Operating CF +262.8	Investing CF -334.9	Other variances +197.4	
-144.4	+125.3 (Improvement)			-19.1



^{*1} Please refer to P. 19.

^{*2} Net income + Other operating expense, net + (Gain) loss on sale or devaluation of securities investments, net + Depreciation and amortization [Operating CF of Sony without Financial Services]

^{*3} Increase in notes and accounts receivable, trade + (Increase) decrease of inventories + Decrease in notes and accounts payable, trade [Operating CF of Sony without Financial Services]

^{*4} Amortization of film costs + Increase in film costs [Operating CF of Sony without Financial Services]

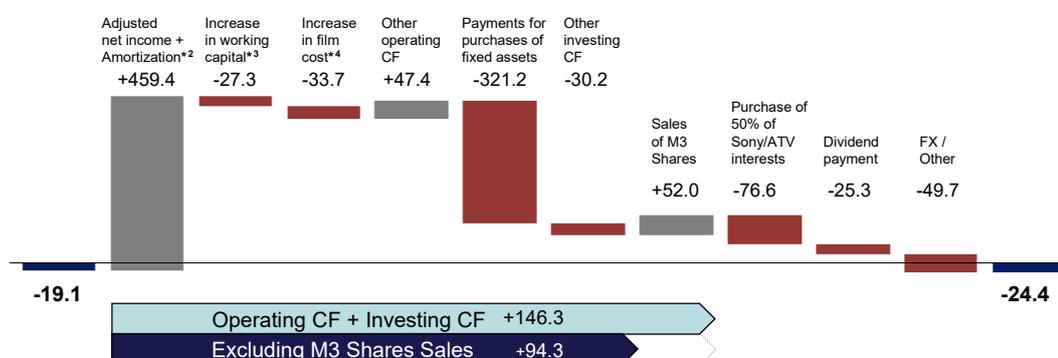
· Please refer to F-17 for a Condensed Statements of Cash Flows for Sony without Financial Services in "Consolidated Financial Results for the Fiscal Year Ended March 31, 2017".

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FY2016 Cash Flow (CF) Analysis (Sony without Financial Services)

(Bln Yen)

As of March 31, 2016				As of March 31, 2017
Cash – Debt ^{*1} (Net Cash Position)	Operating CF +445.8	Investing CF -299.4	Other variances -151.6	
-19.1	-5.2 (Deterioration)			-24.4



^{*1} Please refer to P. 19.

^{*2} Net income + Other operating expense, net + (Gain) loss on sale or devaluation of securities investments, net + Depreciation and amortization [Operating CF of Sony without Financial Services]

^{*3} Increase in notes and accounts receivable, trade + (Increase) decrease of inventories + Decrease in notes and accounts payable, trade [Operating CF of Sony without Financial Services]

^{*4} Amortization of film costs + Increase in film costs [Operating CF of Sony without Financial Services]

· Please refer to F-17 for a Condensed Statements of Cash Flows for Sony without Financial Services in "Consolidated Financial Results for the Fiscal Year Ended March 31, 2017".

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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) 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 and network 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 and customers' satisfaction with its existing products and services;
- (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 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;
- (xv) Sony's ability to anticipate and manage cybersecurity risk, including the risk of unauthorized access to Sony's business information, potential business disruptions or financial losses; and
- (xvi) risks related to catastrophic disasters or similar events.

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