

## **Q2 FY2013 Consolidated Financial Results**

(Three months ended September 30, 2013)

Sony Corporation



### **Highlights**

- Although consolidated sales for the quarter increased significantly year-on-year primarily due to the favorable impact of foreign exchange rates and the strong performance of the smartphone business, operating income decreased significantly primarily due to a decline in the operating results of the Pictures, IP&S, and Devices segments.
- Primarily due to the contraction of the AV/IT markets and the slowdown of emerging market economies, the environment in the Electronics business is declining beyond expectations and the annual unit sales forecast for certain electronics products was revised downward. As a result, Sony expects consolidated sales and operating income for the current fiscal year to be below the August forecast.

## Q2 FY13 Consolidated Results

			(Bln Yen)	
	Q2 FY12	Q2 FY13	Change	Change(CC <sup>*1</sup> )
Sales & operating revenue	1,604.7	<b>1,775.5</b>	+10.6%	-9.1%
Operating income	30.3	<b>14.8</b>	-51.2%	-100.3%
Income before income taxes	19.7	<b>6.0</b>	-69.6%	
Net income attributable to Sony Corporation's stockholders	-15.5	<b>-19.3</b>	-	
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	-15.41 yen	<b>-18.91 yen</b>	-	
Restructuring charges <sup>**2</sup>	11.5	<b>7.8</b>	-32.0%	

Foreign Exchange Impact		Average Rate	Q2 FY12	Q2 FY13
Sales & operating revenue:	approx. +316.7 bln yen	1 US dollar	78.6 yen	98.9 yen
Operating income:	approx. +14.9 bln yen	1 euro	98.4 yen	131.1 yen

\*1 Constant currency (CC) basis: change that would have occurred with no year-on-year change in exchange rates  
 \*\*2 Restructuring charges are included in operating income as an operating expense

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## 1H FY13 Consolidated Results

			(Bln Yen)	
	1H FY12	1H FY13	Change	Change(CC <sup>*1</sup> )
Sales & operating revenue	3,119.8	<b>3,488.2</b>	+11.8%	-6.0%
Operating income	36.5	<b>51.1</b>	+40.0%	-41.6%
Income before income taxes	29.1	<b>52.2</b>	+79.7%	
Net income attributable to Sony Corporation's stockholders	-40.1	<b>-15.8</b>	-	
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	-39.97 yen	<b>-15.57 yen</b>	-	
Restructuring charges <sup>**2</sup>	22.8	<b>12.5</b>	-45.2%	

Foreign Exchange Impact		Average Rate	1H FY12	1H FY13
Sales & operating revenue:	approx. +557.0 bln yen	1 US dollar	79.4 yen	98.8 yen
Operating income:	approx. +29.8 bln yen	1 euro	100.7 yen	130.0 yen

\*1 Constant currency (CC) basis: change that would have occurred with no year-on-year change in exchange rates  
 \*\*2 Restructuring charges are included in operating income as an operating expense

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## Q2 FY13 Results by Segment

(Bln Yen)

		Q2 FY12	Q2 FY13	Change	Change(CC*)	FX Impact
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	Sales	188.6	<b>175.5</b>	-6.9%	-24%	+32.1 bln yen
	Operating income	2.2	<b>-2.3</b>	-4.5 bln yen		
<b>Game</b>	Sales	148.2	<b>155.7</b>	+5.1%	-14%	+28.9 bln yen
	Operating income	2.3	<b>-0.8</b>	-3.1 bln yen		
<b>Mobile Products &amp; Communications (MP&amp;C)</b>	Sales	300.4	<b>418.6</b>	+39.3%	+4%	+106.2 bln yen
	Operating income	-23.1	<b>-0.9</b>	+22.2 bln yen		
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	Sales	236.0	<b>263.8</b>	+11.8%	-12%	+55.9 bln yen
	Operating income	-15.8	<b>-12.1</b>	+3.7 bln yen		
<b>Devices</b>	Sales	249.9	<b>208.1</b>	-16.7%	-30%	+34.3 bln yen
	Operating income	29.8	<b>11.9</b>	-17.9 bln yen		
<b>Pictures</b>	Sales	163.0	<b>177.8</b>	+9.1%	-13%	
	Operating income	7.9	<b>-17.8</b>	-25.6 bln yen		
<b>Music</b>	Sales	99.2	<b>115.0</b>	+15.9%	-0%	
	Operating income	7.9	<b>9.7</b>	+1.8 bln yen		
<b>Financial Services</b>	Revenue	231.4	<b>245.0</b>	+5.9%		
	Operating income	31.2	<b>39.2</b>	+8.0 bln yen		
<b>All Other</b>	Sales	128.7	<b>131.4</b>	+2.1%		
	Operating income	-3.8	<b>3.8</b>	+7.6 bln yen		

Sales / Revenue include operating revenue and intersegment sales

\* Constant currency (CC) basis: change that would have occurred with no year-on-year change in exchange rates (The Pictures segment refers to change on a U.S. dollar basis)

## 1H FY13 Results by Segment

(Bln Yen)

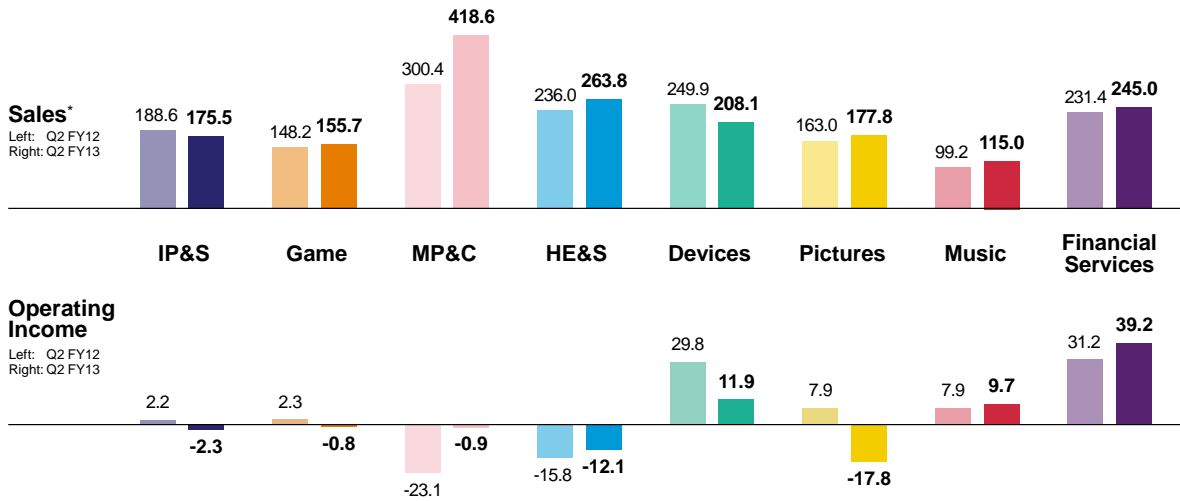
		1H FY12	1H FY13	Change	Change(CC*)	FX Impact
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	Sales	388.2	<b>356.4</b>	-8.2%	-24%	+62.0 bln yen
	Operating income	14.9	<b>6.8</b>	-8.1 bln yen		
<b>Game</b>	Sales	266.1	<b>273.6</b>	+2.8%	-15%	+47.1 bln yen
	Operating income	-1.3	<b>-15.6</b>	-14.3 bln yen		
<b>Mobile Products &amp; Communications (MP&amp;C)</b>	Sales	586.0	<b>807.5</b>	+37.8%	+9%	+168.6 bln yen
	Operating income	-51.2	<b>5.0</b>	+56.2 bln yen		
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	Sales	487.8	<b>539.0</b>	+10.5%	-10%	+102.2 bln yen
	Operating income	-25.8	<b>-8.7</b>	+17.1 bln yen		
<b>Devices</b>	Sales	467.2	<b>404.3</b>	-13.5%	-28%	+68.0 bln yen
	Operating income	45.7	<b>22.8</b>	-23.0 bln yen		
<b>Pictures</b>	Sales	316.4	<b>336.8</b>	+6.4%	-14%	
	Operating income	3.0	<b>-14.0</b>	-17.0 bln yen		
<b>Music</b>	Sales	198.1	<b>226.9</b>	+14.6%	-1%	
	Operating income	15.1	<b>20.5</b>	+5.3 bln yen		
<b>Financial Services</b>	Revenue	425.9	<b>497.7</b>	+16.8%		
	Operating income	58.8	<b>85.2</b>	+26.4 bln yen		
<b>All Other</b>	Sales	247.3	<b>254.6</b>	+3.0%		
	Operating income	-11.0	<b>-8.0</b>	+3.0 bln yen		

Sales / Revenue include operating revenue and intersegment sales

\* Constant currency (CC) basis: change that would have occurred with no year-on-year change in exchange rates (The Pictures segment refers to change on a U.S. dollar basis)

## Q2 FY13 Sales and Operating Income by Segment

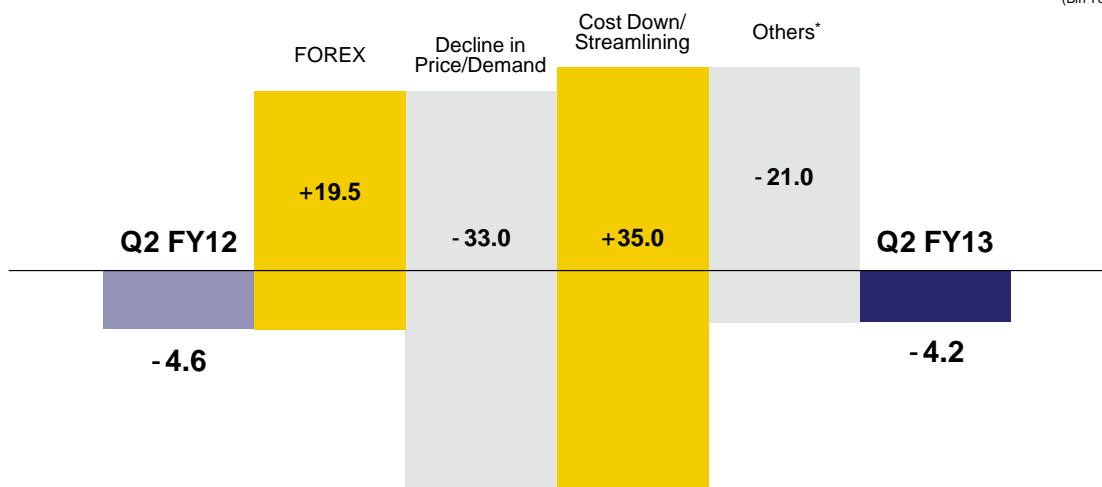
(Bln Yen)



\* Includes operating revenue and intersegment sales. In Financial Services, financial services revenue

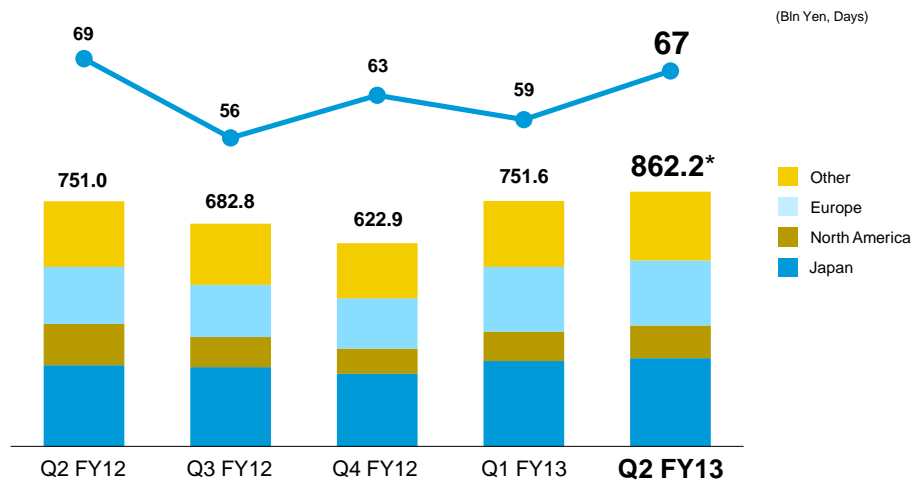
## Q2 FY13 The Five Electronics Segments Total: Change in Operating Income

(Bln Yen)



\* The deterioration in Others is primary due to the fact that a net benefit of 13.2 billion yen from insurance recoveries related to damages and losses incurred from the floods in Thailand in the fiscal year ended March 31, 2012 and a gain of 8.2 billion yen from the sale of the chemical products related business were both included in the same period of the previous year  
The term "Electronics" refers to the sum of the IP&S, Game, MP&C, HE&S and Devices segments

## Q2 FY13 The Five Electronics Segments Total: Inventory by Area



\*862.2 bln yen – a 111.2 bln yen increase from the end of Q2 FY12, and a 110.6 bln yen increase from the end of Q1 FY13.

Bar graph: Inventory levels (bln yen)

Line graph: Inventory turnover (average beginning & ending inventory during the quarter divided by average daily sales in the quarter)

The term "Electronics" refers to the sum of the IP&S, Game, MP&C, HE&S and Devices segments

## Q2 FY13 Pictures and Music: Operating Income before "Depreciation and amortization" and "Restructuring charges"

(Bln Yen)

	Pictures		Music	
	Q2 FY12	Q2 FY13	Q2 FY12	Q2 FY13
Sales & operating revenue*	163.0	178.0	99.2	115.0
Operating income	7.9	-17.8	7.9	9.7
Operating income	7.9	-17.8	7.9	9.7
Add: "Depreciation and amortization"	2.4	3.4	2.7	3.2
Add: "Restructuring charges"	0.0	0.5	0.2	0.1
Operating income before "Depreciation and amortization" and "Restructuring charges"	10.3	-13.9	10.8	13.0

\* Includes operating revenue and intersegment sales

Operating income before "Depreciation and amortization" and "Restructuring charges" is not a measure in accordance with U.S. GAAP

("Depreciation and amortization" excludes amortization of film costs.) 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

## FY13 Consolidated Results Forecast (1)

(Bln Yen)

	FY12	FY13 August FCT	FY13 October FCT	Change from August FCT
Sales & operating revenue	6,800.9	7,900	<b>7,700</b>	-2.5%
Operating income	230.1	230	<b>170</b>	-26.1%
Income before income taxes	245.7	210	<b>180</b>	-14.3%
Net income attributable to Sony Corporation's stockholders	43.0	50	<b>30</b>	-40.0%
<hr/>				
Restructuring charges <sup>*1</sup>	77.5	50	<b>50</b>	-
<hr/>				
Capital expenditures	188.6	190	<b>190</b>	-
Depreciation & amortization <sup>*2</sup>	330.6	340	<b>340</b>	-
[ for property, plant and equipment (included above)	199.2	200	<b>200</b>	- ]
Research & development	473.6	460	<b>460</b>	-
<hr/>				
Foreign exchange rates	Actual	Assumption (Q2 – Q4 FY13)	Assumption (2H FY13)	
1 US dollar	83.1 yen	Approx. 100 yen	Approx. 100 yen	
1 euro	107.2 yen	Approx. 130 yen	Approx. 130 yen	

\*1 Restructuring charges are included in operating income as an operating expense

\*2 Includes amortization expenses for intangible assets and for deferred insurance acquisition costs

## FY13 Consolidated Results Forecast (2)

Consolidated sales for the current fiscal year are expected to be 7,700 billion yen due to a downward revision in the annual unit sales forecasts for certain electronics products.

Consolidated operating income is expected to be 170 billion yen, 60 billion yen below the August forecast. Although the operating income of the Financial Services segment in the current quarter exceeded the August forecast, operating results of the IP&S, MP&C, HE&S, Devices and Pictures segments are expected to be below the August forecast.

Restructuring charges are expected to be approximately 50 billion yen for the Sony group, unchanged from the August forecast, compared to 77.5 billion yen recorded in the fiscal year ended March 31, 2013. This amount will be recorded as an operating expense included in the above-mentioned forecast for operating income.

## FY13 Consolidated Results Forecast (3)

### ■ IP&S

Overall segment sales are expected to be below the August forecast primarily due to a downward revision in the annual unit sales forecast of video cameras and digital cameras. Operating income is expected to be significantly below the August forecast, primarily due to the negative impact of the above-mentioned decrease in sales. Year-on-year, sales are expected to be essentially flat and operating income is expected to increase significantly.

### ■ MP&C

Overall segment sales are expected to be slightly below the August forecast primarily due to a downward revision in the annual unit sales forecast of PCs. Operating income is expected to be significantly lower than the August forecast due to the negative impact of the above-mentioned decrease in sales. Year-on-year, sales are expected to increase significantly and operating income is expected to be recorded, reflecting an expected significant improvement in operating results primarily due to an increase in unit sales of smartphones.

## FY13 Consolidated Results Forecast (4)

### ■ HE&S

Overall segment sales are expected to be below the August forecast primarily due to a downward revision in the annual unit sales forecast of LCD TVs. Operating results are expected to be significantly lower than the August forecast primarily due to the negative impact of the above-mentioned decrease in sales. Year-on-year, sales are expected to increase significantly and operating results are expected to improve significantly.

### ■ Devices

Overall segment sales are expected to be below the August forecast primarily because sales of image sensors are expected to be lower than the August forecast. Operating income is expected to be significantly below the August forecast primarily due to the negative impact of the above-mentioned decrease in sales. Year-on-year, sales are expected to decrease and operating income is expected to decrease significantly.

## FY13 Consolidated Results Forecast (5)

### ■ Pictures

Sales and operating income are expected to be below the August forecast primarily due to the underperformance of Motion Pictures' current year film slate in the current quarter. Year-on-year, sales are expected to increase significantly and operating income is expected to be essentially flat.

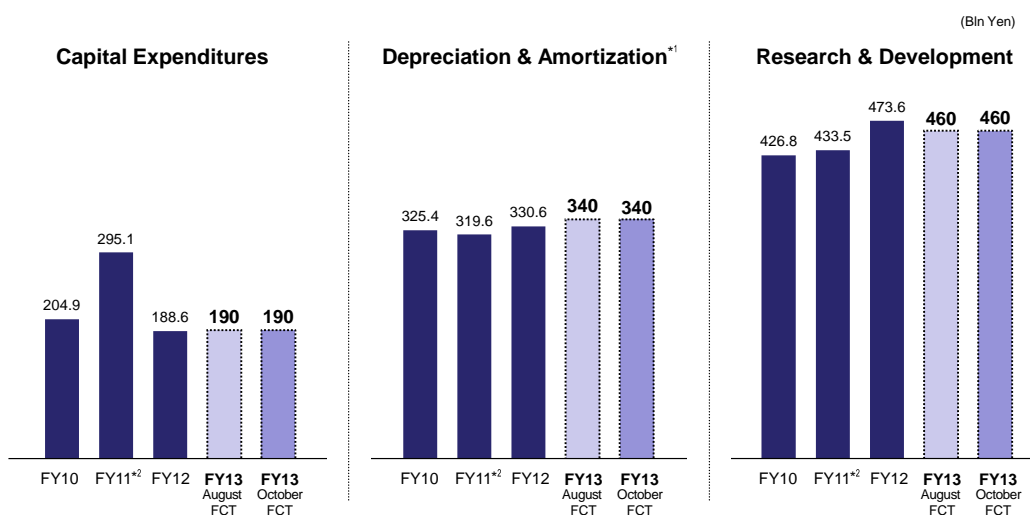
### ■ Financial Services

Expected financial services revenue remains unchanged from the August forecast. Operating income for the fiscal year is expected to exceed the August forecast because results in the current quarter exceeded expectations. Year-on-year, financial services revenue is expected to be essentially flat and operating income is expected to increase.

The effects of gains and losses on investments held by the Financial Services segment due to market fluctuations have not been incorporated within the above forecast as it is difficult for Sony to predict market trends in the future. Accordingly, future market fluctuations could further impact the current forecast.

There is no change from the August forecast for the sales and operating income of the Game and Music segments.

## CAPEX, Depreciation & Amortization, R&D



\*1 Includes amortization expenses for intangible assets and for deferred insurance acquisition costs

FY13 August and October FCT include 200.0 bln yen for depreciation of tangible assets, compared to 199.2 bln yen in FY12

\*2 FY11 includes 1.5 months of Sony Mobile financial results in accordance with the consolidation of Sony Mobile on February 16, 2012



## Unit Sales or Sales for Key Electronics Products Sales and Capital Expenditures for Semiconductors (forecast)

(Mln units, for sales and capital expenditures; Bln yen)

	FY12					FY13		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	October FCT
<b>Consumer Electronics</b>								
Video Cameras	1.1	0.9	1.1	0.6	3.7	0.6	0.6	2.3
Digital Cameras * <sup>1</sup>	4.9	4.1	4.9	3.1	17.0	3.1	2.8	12.0
Smartphones	7.4	8.8	8.7	8.1	33.0	9.6	10.0	42.0
PCs	1.8	2.0	2.2	1.6	7.6	1.3	1.5	5.8
LCD TVs	3.6	3.5	4.2	2.2	13.5	3.1	3.3	14.0
<b>Game</b>								
Computer Entertainment System (PS4 / PS3 / PS2) * <sup>2</sup>	2.8	3.5	6.8	3.4	16.5	1.1	2.0	15.0
Portable Entertainment System (PS Vita / PSP)	1.4	1.6	2.7	1.3	7.0	0.6	0.8	5.0
Software (Sales) * <sup>3</sup>	43	60	84	79	266	64	93	360
<b>Semiconductors *<sup>4</sup></b>								
Sales * <sup>5</sup>					480			470
Capital Expenditures					72			60

\*<sup>1</sup> Digital Cameras include Compact Digital Cameras and Interchangeable Single-lens Cameras

\*<sup>2</sup> PS4 is included in FY13 FCT

PS2 is not included in Q1, Q2 FY13 and FY13 FCT

\*<sup>3</sup> PS4 is included in FY13 FCT

Software (Sales) includes sales of packaged software and networked software.

\*<sup>4</sup> Only FY information is available for Semiconductors

\*<sup>5</sup> Sales of Semiconductors include intersegment transactions

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## Exchange Rates Trends

(yen)

	FY12					FY13		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	
<b>US\$</b>	Market rate (simple average)	81*	78	82*	91	84*	100*	100*
	Market rate (weighted average)	81*	78	81*	91	83*	100*	100*
	Forward contract rate	81*	78	78*	109	71*	98*	98*
<b>Euro</b>	Market rate (simple average)	101	97	104	120	106	127	130
	Market rate (weighted average)	102	97	103	120	103	127	130
	Forward contract rate	106	98	102	112	103	125	130

Market rate (weighted average): Weighted average market rates calculated based on monthly export or import amounts

Forward contract rate (US\$): Weighted average of the monthly export and import amounts after being multiplied by their respective forward contract rates

Forward contract rate (Euro): Weighted average of each month's forward contract rate hedge amount

\*Net import position

For net import positions, TTS is applied to the calculation of market rates. For net export positions, TTB is applied to the calculation of market rates

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## Management Topics (1)

In Electronics\*, Sony has been engaged in developing competitive products and creating new markets through the concentration of management resources in its three core business areas and has reinforced its business foundation through an overhaul of its cost structure. However, due to the contraction of the AV/IT markets and the slowdown of emerging market economies, Sony expects its business environment to continue to be severe in the second half of the fiscal year. As a result, Sony expects the total profit in Electronics for the current fiscal year to be below Sony's previous expectations, although turning to a profit is expected to be achieved. Operating income in the Pictures segment for the current fiscal year is expected to be flat year-on-year, although it is expected to be below our previous expectations. Sony expects the Music and Financial Services segments to continue to contribute a high level of profit.

### ■ Electronics

- In Mobile, sales continued to expand as smartphones such as the "Xperia™ Z", which has been well received since its launch in February, ranked in the top 3 in approximately 20 countries by revenue. In addition, as a result of efforts to develop appealing products that leverage the combined power of Sony and to increase the efficiency of development, Sony has been able to quickly introduce products to the market. Following the "Xperia™ Z", the high value-added model, "Xperia™ Z1" was launched in October 2013. Going forward, as these strategies are continued, sales and profit are expected to remain strong.

\* The term "electronics" refers to the sum of the IP&S, Game, MP&C, HE&S and Devices segment

## Management Topics (2)

- In Digital Imaging, the contraction of the compact digital camera and video camera markets continues. Despite this severe market environment, the "QX" lens style camera series went on sale aiming to create a new market by proposing a new way to use cameras combining with smartphones. Sony also developed the interchangeable-lens mirrorless "α7" series cameras, equipped with Sony-developed full-sized image sensors, and added new models to the "RX" series which created a high-end compact camera market. Going forward, Sony will continue to work to enhance profitability by creating new markets through the development of products with unique concepts and by shifting to high value-added models.
- In Game, preparations for the introduction of the highly anticipated "PlayStation®4 (PS4™)" are steadily progressing around the world. Sony aims for the new PS4™ platform to contribute to profitability from an early stage by diversifying its revenue streams through various network services centered on the "PSN" and by offering rich user experiences. Game segment sales and income for the current fiscal year are expected to be in-line with expectations.
- In Televisions, the profitability structure has been improving as a result of continuing measures to reduce costs and focusing on high value-added models, most notably 4K LCD TVs. However, the outlook for annual unit sales has been revised downward due to a challenging view of the market environment resulting from a slowdown of emerging market economies. Although the severe business environment is expected to continue, Sony continues to work to further improve profitability and focus on the sale of strategic models during the year-end selling season.
- In PCs, the business environment continues to be severe due to the contraction of the market during the current quarter as well. Sony recognizes that it is imperative to work toward fundamentally reforming the structure of this business and has been developing a reform plan.

## Management Topics (3)

### ■ Pictures

- Although the box office results of certain films were below Sony's expectations, *Captain Phillips* and *Cloudy with a Chance of Meatballs 2* are performing according to expectations. Moreover, Television Productions and Media Networks are steadily expanding. Sony is working to improve profitability by continuing to focus on these growing businesses and by increasing management efficiency, including the reduction of costs throughout the Pictures segment.
- In Motion Pictures, a diverse slate of films will be released, including new tent-pole franchises, as well as low-to-mid-budget genre titles which target specific audiences. Going forward, Sony will continue to create a line-up of films that appeal to audiences around the world while paying close attention to costs.
- In Television Productions, 2013 was the most successful development season in more than a decade, and 13 new series are expected to debut on U.S. TV networks in the 2013/2014 season. One of those series, *Blacklist*, is performing particularly well and Sony expects it will contribute to expansion of the business going forward. Also, the series finale of *Breaking Bad* broke TV ratings records in the U.S., the series won the Primetime Emmy® Award for Outstanding Drama Series, and Sony began developing a spin-off show.
- In Media Networks, Sony is working to strengthen its digital networks while also expanding its television networks. This year, Sony launched the digital distribution services "Kalixta," which targets primarily female audiences, in Brazil and "Animax," which carries Japanese anime, in the UK.
- Sony will continue to focus on the production and distribution of 4K content using the latest technology in collaboration with the Electronics businesses. Sony will increase the value of its electronics products by making content available for purchasers of Sony 4K televisions.

## Management Topics (4)

### ■ Music

- The Music segment is performing well due to its development of new artists and its proactive adaptation to the growing digital distribution market.
- In Recorded Music, Sony's market share in the U.S. from January to September 2013 rose slightly year-on-year due to the release of many hit titles such as the album by Sony Music artist Justin Timberlake, which is the number one album in the U.S. so far this calendar year by sales. Going forward, Sony aims to increase its market share by aggressively continuing to develop new artists.
- In the Music business, where digital distribution is becoming more significant, the affinity between content and mobile products is increasing. In this context, the digital music application for "Xperia™," which was launched in selected markets as a result of collaboration with the Mobile business, has been well received.
- In Music Publishing, the integration of the operations of Sony/ATV Music Publishing and EMI Music Publishing, which was acquired by a group of investors including Sony, is progressing according to plan. In addition to utilizing the songs Sony administers, Sony is pursuing contracts with new lyricists and song composers in an effort to further enhance Sony's catalog, all with the aim of generating stable profit going forward.

### ■ Financial Services

- The Financial Services segment continued to contribute significantly to consolidated financial results during the current quarter. By continuing to offer high-quality services, Sony aims to further enhance customer satisfaction, expand its customer base and pursue sustainable growth.

## FY13 Announcements

Announcement Date	Topic	Notes
April 16, 2013	<b>Medical Joint Venture with Olympus Corporation Sony Olympus Medical Solutions Inc. Established</b>	<b>Stated capital 50 million yen</b> (Sony 51% Olympus 49%)
May 22, 2013	<b>FY 2013 Corporate Strategy Meeting</b>	<b>Sony Group 2013 Key Strategies</b> 1. Reinforce the Electronics Business 2. Further strengthen profitability in the Entertainment and Financial Services businesses 3. Continue to reinforce Sony's financial foundations  <b>2014 Financial Targets</b> Sony Group overall Sales : 8.5 trillion yen Operating income margin : 5%+ ROE : 10% Electronics business Sales : 6 trillion yen Operating income margin : 5%
May 24, 2013 June 7, 2013	<b>Announcement of Terms and Issuance of Unsecured Straight Bonds for Japanese Retail Investors</b>	<b>Total amount of issue: 150 billion yen</b> <b>Issue date</b> <b>June 19, 2013</b> <b>Maturity date</b> <b>June 19, 2018</b> (Five year maturity term)
September 12, 2013	<b>Sales of certain M3 shares held by Sony Corporation</b>	<b>Shares sold on September 17: 155,000</b> (amount of shares held before sale: 791,908) -Sale price: 37.8 bin yen -12.8 bin yen gain from the sale (operating income)

## Expansion of disclosure

Segment	New disclosure
All Segments	“Depreciation and amortization” and “Restructuring charges” by quarter
Pictures Music	1) Sales for newly disclosed categories by quarter 2) Operating income before “Depreciation and amortization” and “Restructuring charges” by quarter 3) Entertainment business supplemental data 4) Hold Entertainment Investor Day (US: November 21) and Entertainment Business Briefing for Investors (JPN: November 26)

## Sales by Category (Restated, not Including Intersegment Transactions)

(Mn Yen)

	FY12					FY13	FY13	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	
<b>IP&amp;S</b>	Digital Imaging Products	129,916	108,570	122,135	89,103	449,724	107,758	<b>98,457</b>
	Professional Solutions	66,604	72,195	60,793	86,106	285,698	68,126	<b>72,992</b>
	Other	2,590	6,613	3,054	4,924	17,181	3,941	<b>3,175</b>
	Total	199,110	187,378	185,982	180,133	752,603	179,825	<b>174,624</b>
<b>All Other</b>	106,018	115,509	147,881	137,321	506,729	110,807	<b>118,159</b>	

Due to certain changes in the organizational structure, sales of IP&S and All Other of Q1 FY12 - Q1 FY13 have been restated to conform to the current presentation

## Sales of Newly Disclosed Categories (not Including Intersegment Transactions)

(Mn Yen)

	FY12					FY13		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	
<b>Pictures<sup>*1</sup></b>	Motion Pictures	85,645	104,718	137,509	118,382	446,254	71,235	<b>97,556</b>
	Television Production	34,261	32,034	39,764	53,735	159,794	40,030	<b>45,288</b>
	Media Networks	33,392	26,094	31,521	35,072	126,079	47,537	<b>34,876</b>
	Total	153,298	162,846	208,794	207,189	732,127	158,802	<b>177,720</b>
<b>Music<sup>*2</sup></b>	Recorded Music	69,451	63,565	93,754	81,018	307,788	80,674	<b>78,057</b>
	Music Publishing	10,308	14,815	11,170	16,471	52,764	12,581	<b>18,273</b>
	Visual Media and Platform	16,943	18,390	18,516	17,318	71,167	15,920	<b>16,401</b>
	Total	96,702	96,770	123,440	114,807	431,719	109,175	<b>112,731</b>

<sup>\*1</sup> In the Pictures segment, Motion Pictures includes the production, acquisition and distribution of motion pictures; Television Productions includes the production, acquisition and distribution of television programming; Media Networks includes the operation of television and digital networks

<sup>\*2</sup> In the Music segment, Recorded Music includes the distribution of physical and digital recorded music and revenue derived from artists' live performances; Music Publishing includes the management and licensing of the words and music of songs; Visual Media and Platform includes the production and distribution of animated videos and the solution offering for music and visual products

## Depreciation & amortization and Restructuring charges by Segment

(Mln Yen)

		FY12					FY13	
		Q1	Q2	Q3	Q4	FY	Q1	Q2
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	Depreciation & amortization	8,968	8,014	9,354	10,429	36,765	8,998	<b>8,659</b>
	Restructuring Charges	992	873	2,220	7,155	11,240	828	<b>1,555</b>
<b>Game</b>	Depreciation & amortization	2,234	2,403	2,675	3,111	10,423	3,027	<b>3,576</b>
	Restructuring Charges	155	98	-39	36	250	1	<b>381</b>
<b>Mobile Products &amp; Communications (MP&amp;C)</b>	Depreciation & Amortization	5,781	5,326	6,837	4,559	22,503	6,909	<b>7,128</b>
	Restructuring Charges	904	1,170	869	2,942	5,885	915	<b>2,734</b>
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	Depreciation & Amortization	5,890	5,752	5,665	6,266	23,573	5,648	<b>5,682</b>
	Restructuring Charges	1,577	3,637	3,451	3,150	11,815	160	<b>553</b>
<b>Devices</b>	Depreciation & Amortization	27,291	26,665	26,739	29,693	110,388	25,203	<b>25,704</b>
	Restructuring Charges	5,307	3,468	2,890	7,431	19,096	1,376	<b>1,053</b>
<b>Pictures</b>	Depreciation & Amortization	2,501	2,443	2,518	2,962	10,424	3,015	<b>3,368</b>
	Restructuring Charges	0	0	174	907	1,081	415	<b>456</b>
<b>Music</b>	Depreciation & Amortization	2,722	2,692	2,730	3,270	11,414	3,207	<b>3,219</b>
	Restructuring Charges	-328	238	663	1,732	2,305	26	<b>78</b>
<b>Financial Services</b>	Depreciation & Amortization	17,917	14,122	10,232	14,034	56,305	12,169	<b>13,692</b>
	Restructuring Charges	0	0	0	0	0	0	<b>0</b>
<b>All Other</b>	Depreciation & Amortization	4,504	4,031	3,968	7,839	20,342	4,292	<b>4,157</b>
<b>All Other and Corporate</b>	Restructuring Charges	2,277	1,624	5,348	13,465	22,714	680	<b>886</b>

Depreciation & Amortization includes amortization expenses for intangible assets and for deferred insurance acquisition costs

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## Cautionary Statement

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- (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) Sony's ability to forecast demands, manage timely procurement and control inventories;
- (xi) the outcome of pending and/or future legal and/or regulatory proceedings;
- (xii) 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;
- (xiii) 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
- (xiv) risks related to catastrophic disasters or similar events. Risks and uncertainties also include the impact of any future events with material adverse impact.

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