

Q3 FY2013 Consolidated Financial Results

(Three months ended December 31, 2013)

Sony Corporation



Highlights

- Consolidated sales and operating income for the current quarter increased significantly year-on-year primarily due to an improvement in the results of the four electronics segments other than Devices and due to the strong results of the Financial Services segment.
- Regarding the core businesses, strong hardware and software sales of the PlayStation®4 (PS4™), which was introduced during the current quarter, were recorded in the Game segment. The mobile business, which includes smartphones and tablets, has had a significant year-on-year increase in sales and a significant improvement in operating results, and has been contributing to profit since the first quarter of the current fiscal year.
- The forecast for consolidated operating income for the full-year has been revised downward from the October forecast primarily due to the recording of impairment charges and write-offs during the current quarter.
- In order to improve the profitability of the overall electronics business, Sony decided to cease its PC business, entering into a memorandum of understanding with Japan Industrial Partners Inc. to sell the business. Regarding the TV business, in addition to implementing a high value-added strategy and engaging in further cost reduction measures, Sony has decided to split out the TV business and operate it as a wholly-owned subsidiary to enhance the autonomy of the business. Sony also plans to optimize the scale of the sales, manufacturing, and headquarters/indirect functions that support the electronics businesses.

Q3 FY13 Consolidated Results

			(Bln Yen)	
	Q3 FY12	Q3 FY13	Change	Change(CC ^{*1})
Sales & operating revenue	1,948.0	2,412.8	+23.9%	+4.6%
Operating income	46.4	90.3	+94.6%	-24.1%
Income before income taxes	29.4	89.8	+205.0%	
Net income attributable to Sony Corporation's stockholders	-10.8	27.0	-	
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	-10.72 yen	23.09 yen	-	
Restructuring charges ^{*2}	16.7	13.7	-18.1%	

Foreign Exchange Impact		Average Rate	Q3 FY12	Q3 FY13
Sales & operating revenue:	approx. +375.8 bln yen	1 US dollar	81.2 yen	100.5 yen
Operating income:	approx. +55.1 bln yen	1 euro	105.4 yen	136.7 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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Q1 - Q3 FY13 Consolidated Results

			(Bln Yen)	
	Q1 - Q3 FY12	Q1 - Q3 FY13	Change	Change(CC ^{*1})
Sales & operating revenue	5,067.8	5,901.0	+16.4%	-2.0%
Operating income	83.0	141.5	+70.5%	-31.8%
Income before income taxes	58.5	142.0	+142.7%	
Net income attributable to Sony Corporation's stockholders	-50.9	11.2	-	
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	-50.69 yen	9.56 yen	-	
Restructuring charges ^{*2}	39.4	26.1	-33.8%	

Foreign Exchange Impact		Average Rate	Q1 - Q3 FY12	Q1 - Q3 FY13
Sales & operating revenue:	approx. +932.8 bln yen	1 US dollar	80.0 yen	99.4 yen
Operating income:	approx. +84.9 bln yen	1 euro	102.3 yen	132.2 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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Q3 FY13 Results by Segment

(Bln Yen)

		Q3 FY12	Q3 FY13	Change	Change(CC ¹)	FX Impact
Imaging Products & Solutions (IP&S)	Sales	186.9	198.1	+6.0%	-12%	+34.4 bln yen
	Operating income	-2.9	12.1	+15.0 bln yen		
Game	Sales	268.5	441.8	+64.6%	+33%	+84.0 bln yen
	Operating income ^{*2}	4.6	18.0	+13.4 bln yen		
Mobile Products & Communications (MP&C)	Sales	318.8	461.5	+44.8%	+18%	+86.4 bln yen
	Operating income ^{*2}	-21.3	-12.6	+8.8 bln yen		
Home Entertainment & Sound (HE&S)	Sales	323.8	404.0	+24.8%	+3%	+71.9 bln yen
	Operating income	-8.0	6.4	+14.4 bln yen		
Devices	Sales	217.3	216.0	-0.6%	-14%	+29.1 bln yen
	Operating income ^{*2}	9.7	-23.8	-33.4 bln yen		
Pictures	Sales	208.9	223.7	+7.1%	-13%	
	Operating income	25.3	24.3	-1.1 bln yen		
Music	Sales	126.4	144.7	+14.4%	-1%	
	Operating income	16.4	21.7	+5.3 bln yen		
Financial Services	Revenue	266.4	284.2	+6.7%		
	Operating income	34.2	47.8	+13.6 bln yen		
All Other	Sales	166.2	186.1	+12.0%		
	Operating income	4.6	-1.3	-5.9 bln yen		

Sales / Revenue include operating revenue and intersegment sales

^{*1} 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)

^{*2} Operating income for Q3 FY13 includes a 6.2 billion yen write-off of certain PC software titles in the Game segment, an 8.2 billion yen impairment charge for long-lived assets in the PC business in the MP&C segment and a 32.1 billion yen impairment charge related to long-lived assets in the battery business in the Devices segment

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Q1 - Q3 FY13 Results by Segment

(Bln Yen)

		Q1 - Q3 FY12	Q1 - Q3 FY13	Change	Change(CC ¹)	FX Impact
Imaging Products & Solutions (IP&S)	Sales	575.0	554.5	-3.6%	-20%	+96.5 bln yen
	Operating income	11.9	18.9	+6.9 bln yen		
Game	Sales	534.6	715.4	+33.8%	+9%	+131.0 bln yen
	Operating income ^{*2}	3.3	2.4	-0.9 bln yen		
Mobile Products & Communications (MP&C)	Sales	904.8	1,269.1	+40.3%	+12%	+255.0 bln yen
	Operating income ^{*2}	-72.6	-7.6	+65.0 bln yen		
Home Entertainment & Sound (HE&S)	Sales	811.6	943.0	+16.2%	-5%	+174.1 bln yen
	Operating income	-33.8	-2.3	+31.5 bln yen		
Devices	Sales	684.5	620.3	-9.4%	-24%	+97.1 bln yen
	Operating income ^{*2}	55.4	-1.0	-56.4 bln yen		
Pictures	Sales	525.3	560.5	+6.7%	-14%	
	Operating income	28.3	10.2	-18.1 bln yen		
Music	Sales	324.5	371.6	+14.5%	-1%	
	Operating income	31.5	42.2	+10.7 bln yen		
Financial Services	Revenue	692.3	781.8	+12.9%		
	Operating income	93.0	133.0	+40.0 bln yen		
All Other	Sales	413.5	440.8	+6.6%		
	Operating income	-6.4	-9.3	-2.9 bln yen		

Sales / Revenue include operating revenue and intersegment sales

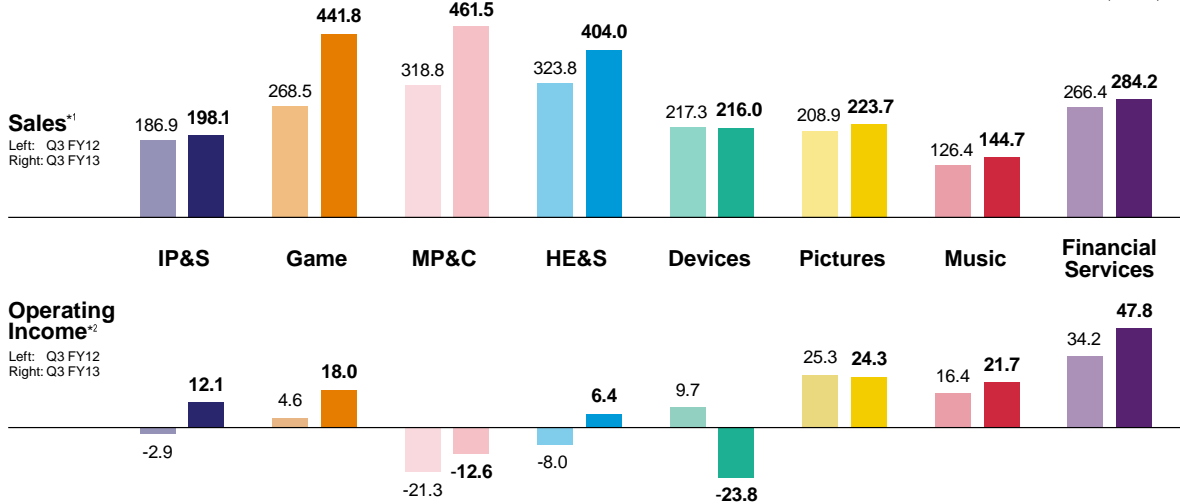
^{*1} Constant currency (CC) basis: change that would have occurred with no year-on-year change in exchange rates (The Pictures segment refers to change on a U.S. dollar basis)

^{*2} Operating income for Q1 - Q3 FY13 includes a 6.2 billion yen write-off of certain PC software titles in the Game segment, an 8.2 billion yen impairment charge for long-lived assets in the PC business in the MP&C segment and a 32.1 billion yen impairment charge related to long-lived assets in the battery business in the Devices segment, all of which were recorded in Q3 FY13

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Q3 FY13 Sales and Operating Income by Segment

(Bln Yen)



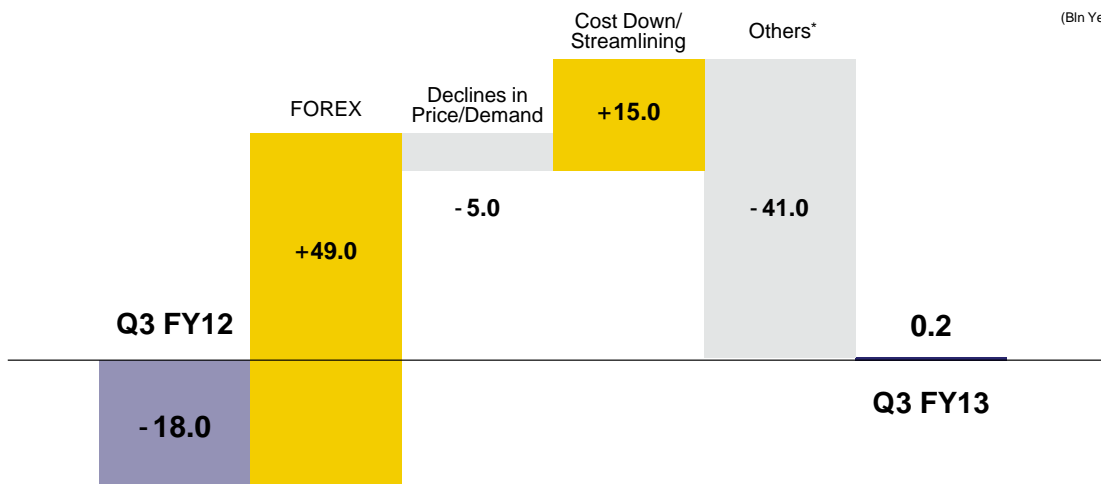
*1 Includes operating revenue and intersegment sales. In Financial Services, financial services revenue

*2 Operating income for Q3 FY13 includes a 6.2 billion yen write-off of certain PC software titles in the Game segment, an 8.2 billion yen impairment charge for long-lived assets in the PC business in the MP&C segment and a 32.1 billion yen impairment charge related to long-lived assets in the battery business in the Devices segment

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Q3 FY13 The Five Electronics Segments Total: Change in Operating Income

(Bln Yen)

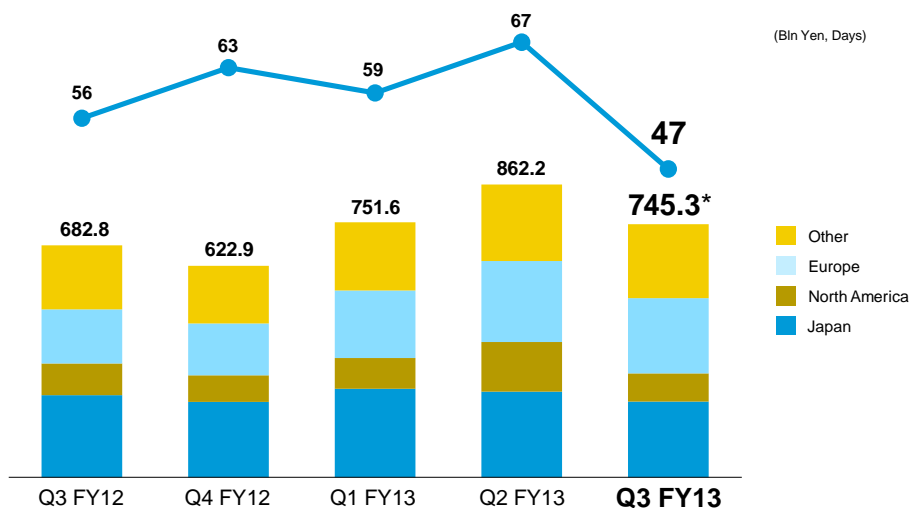


*The Five Electronics Segments Total refers to the IP&S, Game, MP&C, HE&S and Devices segments

* The deterioration in Others is primarily due to the fact that a 6.2 billion yen write-off of certain PC software titles in the Game segment, an 8.2 billion yen impairment charge for long-lived assets in the PC business in the MP&C segment and a 32.1 billion yen impairment charge related to long-lived assets in the battery business in the Devices segment, were recorded in Q3 FY13

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Q3 FY13 The Five Electronics Segments Total: Inventory by Area



*745.3 bln yen – a 62.5 bln yen increase from the end of Q3 FY12, and a 116.9 bln yen decrease from the end of Q2 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 Five Electronics Segments Total refers to the IP&S, Game, MP&C, HE&S and Devices segments

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Q3 FY13 Pictures and Music: Operating Income before “Depreciation and amortization” and “Restructuring charges”

	Pictures		Music	
	Q3 FY12	Q3 FY13	Q3 FY12	Q3 FY13
Sales & operating revenue*	208.9	223.7	126.4	144.7
Operating income	25.3	24.3	16.4	21.7
Operating income	25.3	24.3	16.4	21.7
Add: “Depreciation and amortization”	2.5	2.9	2.7	3.2
Add: “Restructuring charges”	0.2	0.3	0.7	0.0
Operating income before “Depreciation and amortization” and “Restructuring charges”	28.0	27.5	19.8	24.9

(Bln Yen)

* Includes 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.

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FY13 Consolidated Results Forecast (1)

(Bln Yen)

	FY12	FY13 October FCT	FY13 February FCT	Change from October FCT
Sales & operating revenue	6,800.9	7,700	7,700	-
Operating income	230.1	170	80	-52.9%
Income before income taxes	245.7	180	80	-55.6%
Net income attributable to Sony Corporation's stockholders	43.0	30	-110	-
Restructuring charges*1	77.5	50	70	+40.0%
Capital expenditures	188.6	190	190	-
Depreciation & amortization*2	330.6	340	340	-
[for property, plant and equipment (included above)	199.2	200	200	-]
Research & development	473.6	460	460	-
Foreign exchange rates	Actual	Assumption (2H FY13)	Assumption (Q4 FY13)	
1 US dollar	83.1 yen	Approx. 100 yen	Approx. 104 yen	
1 euro	107.2 yen	Approx. 130 yen	Approx. 140 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 unchanged from the October forecast primarily due to the fact that sales of the Music segment and Financial Services revenue are expected to exceed the October forecast, while sales of the MP&C and HE&S segments are expected to be below the October forecast.

Consolidated operating income is expected to be 80 billion yen, 90 billion yen below the October forecast. Although the operating income of the IP&S, Game, Music and Financial Services segments are expected to exceed the October forecast, the operating results of the MP&C, HE&S and Devices segments are expected to be below the October forecast and asset sales which were planned have been reconsidered. Moreover, the 32.1 billion yen (306 million U.S. dollars) impairment charge related to long-lived assets in the battery business in the Devices segment, the 8.2 billion yen (78 million U.S. dollars) impairment charge for long-lived assets in the PC business in the MP&C segment and the 6.2 billion yen (59 million U.S. dollars) write-off of certain PC software titles in the Game segment, which were all recorded in the current quarter, were not included in the October forecast.

FY13 Consolidated Results Forecast (3)

Restructuring charges are expected to be approximately 70 billion yen for the Sony group (compared to 77.5 billion yen recorded in the fiscal year ended March 31, 2013), an increase of 20 billion yen from the October forecast, primarily in the MP&C segment. This amount will be recorded as an operating expense and is included in the above-mentioned forecast for operating income. The increase of 20 billion yen in the current fiscal year is due to the implementation of certain measures to mainly address Sony's reforming of its PC and Television businesses, as announced today, February 6, 2014. Also, Sony expects to allocate a further 70 billion yen (approximate) in restructuring charges in the fiscal year ending March 31, 2015 in order to implement these measures, which are expected to result in annual fixed cost reductions of more than 100 billion yen (approximate) starting in the fiscal year ending March 31, 2016.

FY13 Consolidated Results Forecast (4)

■ IP&S

Overall segment sales are expected to be unchanged from the October forecast. Operating income is expected to be slightly above the October forecast, primarily due to an expected positive impact from cost reductions. Year-on-year, sales are expected to be essentially flat and operating income is expected to increase significantly.

■ Game

Sales are expected to be unchanged from the October forecast. Operating results are expected to be slightly above the October forecast primarily due to an expected positive impact from cost reductions, despite the recording of a write-off of certain PC software titles in the current quarter. Year-on-year, sales are expected to increase significantly and operating results are expected to decline significantly.

FY13 Consolidated Results Forecast (5)

■ MP&C

Overall segment sales are expected to be below the October forecast primarily due to a downward revision in the annual unit sales forecast of smartphones. Operating results are expected to be significantly below the October forecast primarily due to the negative impact of the above-mentioned decrease in sales and the recording of the impairment charge for long-lived assets in the PC business. Year-on-year, sales are expected to increase significantly and operating results are expected to improve significantly, due to a year-on-year increase in unit sales of smartphones.

■ HE&S

Overall segment sales are expected to be slightly below the October forecast because the sales of Audio and Video are expected to be below the October forecast. Operating results are expected to be slightly below the October 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.

FY13 Consolidated Results Forecast (6)

■ Devices

Overall segment sales are expected to be unchanged from the October forecast. Operating results are expected to be significantly below the October forecast primarily due to the recording of the impairment charge related to long-lived assets in the battery business in the current quarter. Year-on-year, sales are expected to decrease and operating results are expected to decrease significantly.

■ Music

Overall segment sales are expected to be above the October forecast primarily due to the strong performance of Recorded Music. Operating income is expected to be above the October forecast primarily due to the positive impact of the above-mentioned increase in sales. Year-on-year, sales are expected to increase significantly and operating income is expected to increase significantly.

FY13 Consolidated Results Forecast (7)

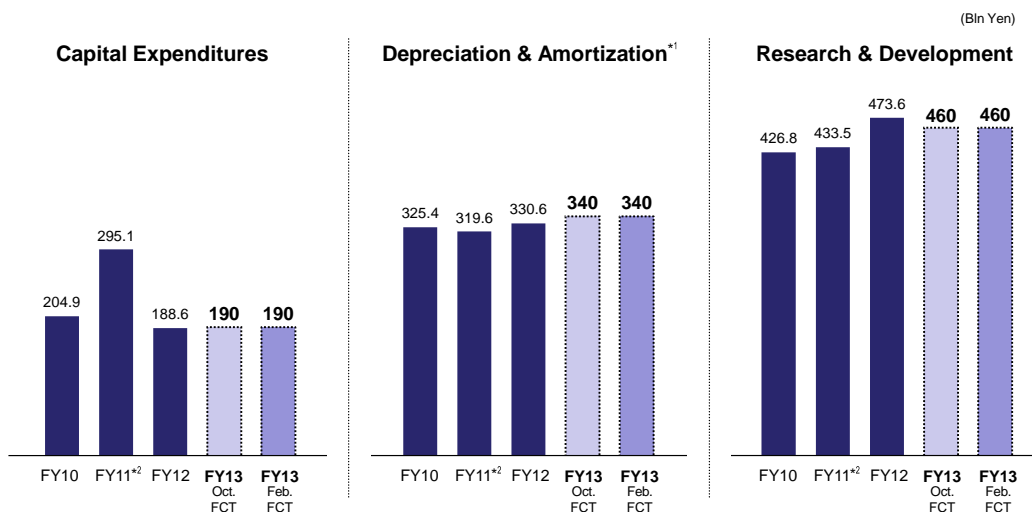
■ Financial Services

Financial services revenue and operating income are expected to exceed the October forecast because results in the current quarter exceeded expectations. Year-on-year, financial services revenue is expected to increase and operating income is expected to increase significantly.

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 October forecast for the sales and operating income of the Pictures segment.

CAPEX, Depreciation & Amortization, R&D



^{*1} Includes amortization expenses for intangible assets and for deferred insurance acquisition costs
^{*2} FY13 October and February FCT include 200.0 bln yen for depreciation of tangible assets, compared to 199.2 bln yen in FY12
^{*3} 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 (Quarterly Results)

(Mln units, for sales; Bln yen)

	FY12					FY13		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
Consumer Electronics								
Video Cameras	1.1	0.9	1.1	0.6	3.7	0.6	0.6	0.7
Digital Cameras* ¹	4.9	4.1	4.9	3.1	17.0	3.1	2.8	3.4
Smartphones	7.4	8.8	8.7	8.1	33.0	9.6	10.0	10.7
PCs	1.8	2.0	2.2	1.6	7.6	1.3	1.5	1.7
LCD TVs	3.6	3.5	4.2	2.2	13.5	3.1	3.3	4.5
Game								
Computer Entertainment System (PS4 / PS3 / PS2)* ²	2.8	3.5	6.8	3.4	16.5	1.1	2.0	7.8
Portable Entertainment System (PS Vita / PSP)	1.4	1.6	2.7	1.3	7.0	0.6	0.8	2.0
Software (Sales)* ³	43.0	60.0	84.0	79.0	266.0	64.0	93.0	126.0

*¹ Digital Cameras include Compact Digital Cameras and Interchangeable Single-lens Cameras

*² PS2 is not included on and after Q1 FY13

*³ Software (Sales) includes sales of packaged software and networked software

Unit Sales or Sales for Key Electronics Products Sales and capital expenditures for Semiconductors (Annual Forecast)

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

	FY12	FY13	
	ACT	October FCT	February FCT
Consumer Electronics			
Video Cameras	3.7	2.3	2.3
Digital Cameras* ¹	17.0	12.0	12.0
Smartphones	33.0	42.0	40.0
PCs	7.6	5.8	5.8
LCD TVs	13.5	14.0	14.0
Game			
Computer Entertainment System (PS4 / PS3 / PS2)* ²	16.5	15.0	15.0
Portable Entertainment System (PS Vita / PSP)	7.0	5.0	5.0
Software (Sales)* ³	266.0	360.0	360.0
Semiconductors			
Sales* ⁴	480.0	470.0	470.0
Capital Expenditures	72.0	60.0	65.0

*¹ Digital Cameras include Compact Digital Cameras and Interchangeable Single-lens Cameras

*² PS2 is not included in FY13 FCT

*³ Software (Sales) includes sales of packaged software and networked software

*⁴ Sales of Semiconductors include intersegment transactions

Exchange Rates Trends

(yen)

	FY12					FY13			
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	
US\$	Market rate (simple average)	81*	78	82*	91	84*	100*	100*	101*
	Market rate (weighted average)	81*	78	81*	91	83*	100*	100*	100*
	Forward contract rate	81*	78	78*	109	71*	98*	98*	99*
Euro	Market rate (simple average)	101	97	104	120	106	127	130	135
	Market rate (weighted average)	102	97	103	120	103	127	130	134
	Forward contract rate	106	98	102	112	103	125	130	135

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

Management Topics (1)

In Electronics*, Sony's efforts to concentrate management resources in the three core businesses, develop competitive products and create new markets are beginning to succeed. On the other hand, regarding PCs and Televisions, businesses for which profitability improvement has been a key priority that Sony has been working to address, Sony will implement drastic measures. Regarding the PC business, Sony has decided to cease the business as the global PC industry is undergoing structural changes, among other factors, and has concluded a memorandum of understanding with Japan Industrial Partners, Inc. to sell the business. Regarding the TV business, profitability has improved significantly over the last two years, however Sony now anticipates its target of returning this business to profitability will not be achieved within the current fiscal year. In order to establish a structure aimed at delivering stable profit from the fiscal year ending March 31, 2015 onwards, Sony will further strengthen its product lineup and focus on continuing to increase its proportion of sales from high-end models such as 4K. Sony will also engage in further cost reduction measures and optimize the scale of all relevant functions in the TV business. Moreover, by splitting-out the TV business and operating it as a wholly-owned subsidiary, Sony aims to enhance the autonomy of the business and create a more efficient operating structure. Regarding the sales, manufacturing, and headquarters/indirect functions that support the electronics businesses, Sony is focusing on further reducing costs by optimizing the scale of these units and further increasing efficiencies to match the reform measures in businesses such as TV and PC. The Pictures, Music and Financial Services segments are expected to continue to contribute stable profit.

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

Management Topics (2)

■ Electronics

- In Game, the PS4™, which went on sale outside of Japan in November 2013, got off to a strong start, selling 4.2 million units of hardware consoles and 9.7 million units of software titles in the six weeks after launch. There was also a dramatic increase in the number of members of PlayStation®Plus, Sony's subscription-based network service. Moreover, Sony is pursuing the diversification of profit drivers, including the announcement of the launch of PlayStation™ Now, a streaming game service that utilizes cloud technology.
- In Mobile, the businesses' growth strategy is steadily being implemented as new Xperia™ products are continuously being introduced and relationships with telecommunications carriers across the globe are being strengthened. Moreover, as an important element of the One Sony strategy, Sony is enhancing functionality on smartphones and tablets thereby increasing connectivity with televisions and gaming devices and strengthening the link with motion picture, television, music and game content.
- In Imaging, production capacity for image sensors is being increased in response to strong demand for image sensors for smartphones and tablets. Moreover, across the Sony Group, the electronics and entertainment businesses are working together in both hardware and software to create and promote unique 4K visual viewing experiences that only Sony can provide by offering total solutions for 4K video capturing, editing, distribution and home viewing.

Management Topics (3)

At the Entertainment* Investor Day in November 2013, Sony announced Entertainment's corporate strategy to allocate management resources in its growth areas, such as Television Productions and Media Networks in the Pictures segment, and licensing of music to a wide range of digital distribution services in the Music segment. Sony also revealed financial targets for the Pictures and Music segments for the fiscal year ending March 31, 2015 and growth targets for the fiscal year ending March 31, 2017. Cost reduction measures aimed at improving profitability in the Pictures segment were also announced.

■ Pictures

- In Television Productions, Sony is enhancing profitability through expanding syndication deals and investing continuously in the development of new television series. Sony's The Blacklist was the most watched new drama in the U.S. in the current season and already renewed its contract for a second season with NBC. Breaking Bad continues to be extremely popular, and its spin-off series, Better Call Saul, will debut in late 2014 on AMC in the U.S. and on Netflix in certain territories outside the U.S.

* The term "Entertainment" refers to the sum of the Pictures and Music segments

Management Topics (4)

- In Media Networks, Sony continues to expand its global footprint. Sony launched “AXN Black” and “AXN White” as a part of “AXN Central Europe” in October, 2013. In the UK, Sony concluded its first carriage agreement with British Telecom (BT) to make “Sony Entertainment Television” available to BT’s cable television subscribers. In Vietnam, Sony plans to launch a brand new channel “GEM” in 2014.
- In Motion Pictures, Sony has augmented the green-light process for production approval by management and remains focused on optimizing its motion picture slate. Captain Phillips, an Academy Award® nominee for Best Picture, and American Hustle, an Academy Award® nominee for Best Picture and the Golden Globe® winner for Best Picture – Musical or Comedy, were released in the current quarter, and both are performing well at the box office.
- As announced at the Entertainment Investor Day, the Pictures segment is in the process of implementing over 250 million U.S. dollars of cost reduction initiatives across its businesses, including overhead costs reductions, operational efficiency enhancements and procurement costs savings, which are planned to be completed by March 31, 2016.

Management Topics (5)

■ Music

- The Music business has continued contributing to the consolidated results.
- In Recorded Music, Sony succeeded in continuously releasing hit albums through enhancement of A&R and innovative marketing strategies. Beyoncé’s new album, which went on sale on December 13, 2013, sold 2.3 million equivalent album units on a global basis by December 31, 2013. The album was released without any pre-release marketing or press and was initially launched only through digital distribution. The Recorded Music business concluded the current quarter, the annual peak sales season, with strong results.

■ Financial Services

- The Financial Services business has continued growing as its customer base is expanding. The rise in the Japanese stock market during the current quarter had a positive impact, and Financial Services continued significantly contributing to the consolidated results.

FY13 Announcements (1)

Announcement Date	Topic	Notes
April 16, 2013	Medical Joint Venture with Olympus Corporation Sony Olympus Medical Solutions Inc. Established	Stated capital 50 million yen (Sony 51% Olympus 49%)
May 22, 2013	FY 2013 Corporate Strategy Meeting	Sony Group FY2013 Key Strategies 1. Reinforce the Electronics Business 2. Further strengthen profitability in the Entertainment and Financial Services businesses 3. Continue to reinforce Sony's financial foundations FY2014 Financial Targets 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	Announcement of Terms and Issuance of Unsecured Straight Bonds for Japanese Retail Investors	Total amount of issue: 150 billion yen Issue date June 19, 2013 Maturity date June 19, 2018 (Five year maturity term)
September 12, 2013	Sales of certain M3 shares held by Sony Corporation	Shares sold on September 17: 155,000 (amount of shares held before sale: 791,908) -Sale price: 37.8 bln yen -12.8 bln yen gain from the sale (operating income)

FY13 Announcements (2)

Announcement Date	Topic	Notes
November 21, 2013 (US, PST)	Entertainment Investor Day	Financial targets for FY2014 Pictures segment Sales : 8.4 billion U.S. dollars Operating income margin before "Depreciation and amortization" and "Restructuring charges" : 9.0% Operating income margin 7.5% Music segment Sales : 4.8 billion U.S. dollars Operating income margin before "Depreciation and amortization" and "Restructuring charges" : 13.0% Operating income margin : 9.5% Growth rate targets for FY2016 (compound annual growth rate ("CAGR") targets based on the results for FY2012) Pictures segment Segment Sales CAGR : low to mid-single digit -Motion Pictures category sales CAGR : flat to slightly down -Television Productions category sales CAGR : mid to high single digit -Media Networks category sales CAGR : low to mid teens Operating income before "Depreciation and amortization" and "Restructuring charges" CAGR : high single digit Operating income CAGR : high single digit to low double digit Music segment Segment Sales CAGR : flat to slightly up -Recorded Music category sales CAGR : essentially flat -Music Publishing category sales CAGR : low single digit -Visual Media and Platform category sales CAGR : flat to slightly up Operating income before "Depreciation and amortization" and "Restructuring charges" CAGR : mid single digit Operating income CAGR : mid to high single digit

FY13 Announcements (3)

Announcement Date	Topic	Notes
January 29, 2014	Acquisition of Tsuruoka Factory assets held by Renesas Yamagata Semiconductor Co., Ltd. and capital investment to reinforce production capacity of CMOS image sensors	<p>Date of the Asset Transfer (planned) : March 31, 2014</p> <p>Investment details : -Acquisition of Tsuruoka Factory assets -Conversion of part of the semiconductor manufacturing at Tsuruoka Factory to CMOS image sensor manufacturing equipment</p> <p>Investment amount : Approx. 35 billion yen (Estimated) Breakdown : -Asset acquisition amount of Tsuruoka Factory in FY13 : approx. 7.5 billion yen -Capital investment in FY14 - FY15 : approx. 27.5 billion yen</p>
February 3, 2014 (US, EST)	Sale of Gracnote, Inc., USA	<p>Sale closed on February 3, 2014</p> <p>-Sale Price : Approx. 170 million U.S. dollars -Approx. 60 million U.S. dollars gain from the sale (operating income)</p>

Sales by Category (Restated, not Including Intersegment Transactions)

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

Due to certain changes in the organizational structure in Q2 FY13, 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)

(Min Yen)

		FY12					FY13		
		Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
Pictures ^{*1}	Motion Pictures	85,645	104,718	137,509	118,382	446,254	71,235	97,556	119,946
	Television Production	34,261	32,034	39,764	53,735	159,794	40,030	45,288	64,263
	Media Networks	33,392	26,094	31,521	35,072	126,079	47,537	34,876	39,241
	Total	153,298	162,846	208,794	207,189	732,127	158,802	177,720	223,450
Music ^{*2}	Recorded Music	69,451	63,565	93,754	81,018	307,788	80,674	78,057	107,379
	Music Publishing	10,308	14,815	11,170	16,471	52,764	12,581	18,273	14,255
	Visual Media and Platform	16,943	18,390	18,516	17,318	71,167	15,920	16,401	20,267
	Total	96,702	96,770	123,440	114,807	431,719	109,175	112,731	141,901

*1 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

*2 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 various service offerings for music and visual products and the production and distribution of animation titles

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“Depreciation & amortization” and “Restructuring charges” by Segment

(Min Yen)

		FY12					FY13		
		Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
Imaging Products & Solutions (IP&S)	Depreciation & Amortization	8,968	8,014	9,354	10,429	36,765	8,998	8,659	8,333
	Restructuring Charges	992	873	2,220	7,155	11,240	828	1,555	289
Game	Depreciation & Amortization	2,234	2,403	2,675	3,111	10,423	3,027	3,576	3,675
	Restructuring Charges	155	98	-39	36	250	1	381	10
Mobile Products & Communications (MP&C)	Depreciation & Amortization	5,781	5,326	6,837	4,559	22,503	6,909	7,128	6,945
	Restructuring Charges	904	1,170	869	2,942	5,885	915	2,734	8,658
Home Entertainment & Sound (HE&S)	Depreciation & Amortization	5,890	5,752	5,665	6,266	23,573	5,648	5,682	4,912
	Restructuring Charges	1,577	3,637	3,451	3,150	11,815	160	553	8
Devices	Depreciation & Amortization	27,291	26,665	26,739	29,693	110,388	25,203	25,704	25,130
	Restructuring Charges	5,307	3,468	2,890	7,431	19,096	1,376	1,053	1,102
Pictures	Depreciation & Amortization	2,501	2,443	2,518	2,962	10,424	3,015	3,368	2,894
	Restructuring Charges	0	0	174	907	1,081	415	456	278
Music	Depreciation & Amortization	2,722	2,692	2,730	3,270	11,414	3,207	3,219	3,194
	Restructuring Charges	-328	238	663	1,732	2,305	26	78	44
Financial Services	Depreciation & Amortization	17,917	14,122	10,232	14,034	56,305	12,169	13,692	9,205
	Restructuring Charges	0	0	0	0	0	0	0	0
All Other	Depreciation & Amortization	4,504	4,031	3,968	7,839	20,342	4,292	4,157	3,748
	Restructuring Charges	2,277	1,624	5,348	13,465	22,714	680	886	3,159

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

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- (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
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