

## **Sony and Jackson Estate Reach Agreement for Sony to Acquire Remaining Half of Sony/ATV Music Publishing**

New York, March 14, 2016 – Sony Corporation (“Sony”) and the Estate of Michael Jackson (“the Estate”) announced today that Sony Corporation of America (“SCA”), Sony’s wholly owned subsidiary, signed a binding memorandum of understanding (“MOU”) with the Estate to obtain full ownership of Sony/ATV Music Publishing LLC (“Sony/ATV”) by acquiring the 50% interest in Sony/ATV held by the Estate.

The MOU calls for total payments of 750 million U.S. dollars, which includes a lump sum payment by SCA of approximately 733 million U.S. dollars as well as distributions previously committed to by Sony/ATV to be paid to the Estate. The payment also reflects certain contractual and accounting adjustments related to the Sony/ATV joint venture and other commercial opportunities involving Sony and the Estate.

The sale is the culmination of a process that began in September 2015 when Sony exercised a right that has existed since the joint venture was formed by Michael Jackson and Sony in 1995. This right allows for one partner to purchase the other partner’s interest pursuant to a procedure outlined in the Sony/ATV operating agreement.

The parties expect to execute a definitive agreement by March 31, 2016. The closing of the transaction is subject to certain closing conditions, including regulatory approvals. Sony expects that this transaction will have no material impact on its consolidated results forecast for the fiscal year ending March 31, 2016, and its impact on Sony’s consolidated financial results for the fiscal year ending March 31, 2017 is currently being evaluated.

“The entertainment businesses have long been a core part of Sony and are a key driver of our future growth,” said Kazuo Hirai, President and CEO of Sony Corporation. “This agreement further demonstrates Sony’s commitment to the entertainment businesses and our firm belief that these businesses will continue to contribute to our success for years to come.”

The Estate noted that the transaction will not affect its continuing substantial interests in other music assets, including all of Michael Jackson’s master recordings as well as Mijac Music, the publishing company that owns all of the songs written by Michael Jackson as well as songs by some of his favorite songwriters and artists that were acquired by Michael during his life. In addition, the Estate will also retain its ownership interest in EMI Music Publishing.

“This transaction further allows us to continue our efforts of maximizing the value of Michael’s Estate for the benefit of his children,” said John Branca and John McClain, Co-Executors of the Estate. “It also further validates Michael’s foresight and genius in investing in music publishing. His ATV catalogue, purchased in 1985 for a net acquisition cost of \$41.5 million, was the cornerstone of the joint venture and, as evidenced by the value of this transaction, is considered one of the smartest investments in music history.”

“When Sony first partnered with Michael Jackson 21 years ago to create Sony/ATV Music Publishing, we knew that this company had the ability to reach great heights,” said Michael

Lynton, CEO of Sony Entertainment, Inc. “This acquisition will enable Sony to more quickly adapt to changes in the music publishing business, while at the same time continuing to be an unparalleled leader in the industry and a treasured home for artists and writers. We want to express our gratitude to the Estate of Michael Jackson and to the Jackson family for their years of partnership. All of us at Sony look forward to continuing to work with the Estate to further Michael Jackson’s legacy in many different ways.”

## **About Sony Corporation**

Sony Corporation is a leading manufacturer of audio, video, game, communications, key device and information technology products for the consumer and professional markets. With its music, pictures, computer entertainment and online businesses, Sony is uniquely positioned to be the leading electronics and entertainment company in the world. Sony recorded consolidated annual sales of approximately \$68 billion for the fiscal year ended March 31, 2015. Sony Global Web Site: <http://www.sony.net/>

## **About Sony/ATV Music Publishing**

Sony/ATV Music Publishing, established in 1995 as a joint venture between Sony and Michael Jackson, is the world’s leading music publisher. Together with EMI Music Publishing, Sony/ATV owns or administers more than 3 million copyrights including those from such iconic music catalogs like Leiber & Stoller, Mijac Music, Motown and Famous Music. Sony/ATV also controls many of the best known songs ever written like “New York, New York”, “Hallelujah”, “All You Need Is Love”, “You’ve Got a Friend”, “Moon River”, “Jailhouse Rock”, “The Mission Impossible Theme”, “Ain’t No Mountain High Enough”, “Over the Rainbow”, “Stand By Me”, “I Heard It Through The Grapevine” and “Singin’ in the Rain.” In addition, Sony/ATV represents the copyrights of such legendary artists as The Beatles, Leonard Cohen, Bob Dylan, Marvin Gaye, Michael Jackson, Carole King, Kraftwerk, Joni Mitchell, Willie Nelson, Roy Orbison, Queen, The Rolling Stones, Richie Sambora, Sting, The Supremes, Wyclef Jean, Hank Williams and Stevie Wonder, among others. Its ever-growing list of chart-topping artists, writers and producers includes Akon, Avicii, Calvin Harris, Jessie J, Alicia Keys, Lady Gaga, P!nk, RedOne, Shakira, Ed Sheeran, Sam Smith, Stargate, Taylor Swift, Kanye West and Pharrell Williams.

## **About the Estate**

Following in the Michael’s footsteps, the Estate of Michael Jackson continues to produce artistically exceptional and enormously successful ventures. “Michael Jackson’s This is It” became the highest grossing music documentary of all time. A history making touring show produced in partnership with Cirque du Soleil, Michael Jackson THE IMMORTAL World Tour, played 4 continents, 157 cities, was seen by 3.7 million fans and became the #8 top grossing tour of all time. The second venture between the Estate and Cirque du Soleil, the critically acclaimed Michael Jackson ONE, a permanent show at Mandalay Bay Las Vegas, gave Cirque its biggest opening ever in Las Vegas and continues to be one of the top shows in the city. In 2014, The Estate astounded the world with the technical wizardry of a ‘virtual Michael Jackson’

performance during the Billboard Music Awards, which gave the show its biggest ratings in years and became the topic of conversation worldwide. That same year, *Xscape*, the second posthumous release of previously unreleased music by Michael Jackson, was released and became one of the top selling albums of 2014. Late last year, *Thriller* became the first album in RIAA Gold & Platinum Program history to be certified 30X multi-Platinum for U.S. sales, continuing The King of Pop's reign as the biggest selling artist of all time with worldwide sales of over 100 million for *Thriller* and 1 billion overall. Earlier this year, the Estate released the documentary MICHAEL JACKSON's Journey From Motown To *Off The Wall*, directed by Spike Lee. The documentary made its world premiere at the Sundance Film Festival on January 24, 2016, and its subsequent broadcast on SHOWTIME® became the channel's highest rated music documentary of all time and its second highest rated documentary ever.