

April 4, 2018  
Sony Corporation

Sony Corporation Announces the Expected Recording of Gains Related to Securities Held by  
its Wholly-Owned Subsidiary

On April 3, 2018 (U.S. Eastern Standard Time), Spotify Technology S.A. (“Spotify”, Stockholm, Sweden), became a publicly listed company on the New York Stock Exchange (“NYSE”). At the time of the public listing, Sony Music Entertainment (“SME”), a wholly-owned subsidiary of Sony Corporation (“Sony”), owned 5.707% of Spotify’s shares (5.082% on a fully diluted basis), and on the same day, SME sold 17.2% of such shares owned by SME. Due to this public listing and the sale, Sony expects to record an unrealized valuation gain (net)\* for the shares SME continues to hold and a realized gain for the shares sold (net)\*, both in Other income, in accordance with U.S. GAAP. Based on the NYSE closing price on April 3, 2018 (U.S. Eastern Standard Time) and the sale price, the sum of the unrealized valuation gain (net) and the gain on the sale of shares (net) to be recorded for the first quarter of the fiscal year ending March 31, 2019 would be approximately 105 billion yen in total. Because the market value of Spotify’s stock following the public listing may be volatile, Sony expects such unrealized valuation gain (net) could fluctuate during the period that SME continues to hold the shares, including during the first quarter of the fiscal year ending March 31, 2019.

Sony plans to announce its forecast for the consolidated financial results for the fiscal year ending March 31, 2019 on April 27, 2018, at the earnings announcement for the fiscal year ended March 31, 2018.

\* If a sale of SME’s Spotify shares results in the recording of a gain, SME will share that gain with its artists and distributed labels. Unrealized valuation gain (net) and the realized gain on the sale of shares (net) are calculated by deducting the estimated amount to be shared or the amount actually shared with such artists and distributed labels.

End of document