

# FY2015 Consolidated Financial Results and FY2016 Consolidated Financial Forecast

Sony Corporation

## FY2015 Consolidated Results

	FY14	FY15	Change	(Bln Yen)
Sales & operating revenue	8,215.9	<b>8,105.7</b>	-1.3%	
Operating income	68.5	<b>294.2</b>	+329.2%	
Income before income taxes	39.7	<b>304.5</b>	+666.5%	
Net income attributable to Sony Corporation's stockholders	-126.0	<b>147.8</b>	-	
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	-113.04 yen	<b>117.49 yen</b>	-	
Restructuring charges <sup>*1</sup>	98.0	<b>38.3</b>	-61.0%	
Capital expenditure <sup>*2</sup>	251.0	<b>468.9</b>	+86.8%	
Depreciation and amortization <sup>*3</sup>	354.6	<b>397.1</b>	+12.0%	
Research and development expenses	464.3	<b>468.2</b>	+0.8%	
Average rate				
1 US dollar	109.9 yen	<b>120.1 yen</b>		
1 Euro	138.8 yen	<b>132.6 yen</b>		

\*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 FY2015 Consolidated Results

(Bln Yen)

	Q4 FY14	Q4 FY15	Change
Sales & operating revenue	1,937.7	<b>1,824.1</b>	-5.9%
Operating income	-97.8	<b>-92.9</b>	-
Income before income taxes	-106.5	<b>-99.7</b>	-
Net income attributable to Sony Corporation's stockholders	-106.8	<b>-88.3</b>	-
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	-91.39 yen	<b>-70.03 yen</b>	-
Restructuring charges	64.3	<b>16.4</b>	-74.4%
Capital expenditure	81.5	<b>139.6</b>	+71.3%
Depreciation and amortization	103.5	<b>122.0</b>	+17.8%
Research and development expenses	124.0	<b>128.1</b>	+3.3%
Average rate			
1 US dollar	119.1 yen	<b>115.4 yen</b>	
1 Euro	134.4 yen	<b>127.2 yen</b>	

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## FY2015 Results by Segment

(Bln Yen)

		FY14	FY15	Change	FX Impact
<b>Mobile Communications (MC)</b>	Sales	1,410.2	<b>1,127.5</b>	-20.0%	-0%
	Operating income	-217.6	<b>-61.4</b>	+156.1 bln yen	-67.5 bln yen
<b>Game &amp; Network Services (G&amp;NS)</b>	Sales	1,388.0	<b>1,551.9</b>	+11.8%	+2%
	Operating income	48.1	<b>88.7</b>	+40.6 bln yen	-47.7 bln yen
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	Sales	723.9	<b>711.2</b>	-1.7%	+3%
	Operating income	41.8	<b>72.1</b>	+30.4 bln yen	-1.6 bln yen
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	Sales	1,238.1	<b>1,159.0</b>	-6.4%	+2%
	Operating income	24.1	<b>50.6</b>	+26.5 bln yen	-36.7 bln yen
<b>Devices</b>	Sales	927.1	<b>935.8</b>	+0.9%	+7%
	Operating income	89.0	<b>-28.6</b>	-117.6 bln yen	+24.7 bln yen
<b>Pictures</b>	Sales	878.7	<b>938.1</b>	+6.8%	+6%
	Operating income	58.5	<b>38.5</b>	-20.0 bln yen	
<b>Music</b>	Sales	559.2	<b>617.6</b>	+10.4%	+5%
	Operating income	60.6	<b>87.3</b>	+26.7 bln yen	
<b>Financial Services</b>	Revenue	1,083.6	<b>1,073.1</b>	-1.0%	
	Operating income	193.3	<b>156.5</b>	-36.8 bln yen	
<b>All Other</b>	Sales	386.6	<b>333.2</b>	-13.8%	
	Operating income	-95.0	<b>2.0</b>	+97.0 bln yen	
<b>Corporate and elimination</b>	Sales	-379.5	<b>-341.8</b>	-	
	Operating income	-134.4	<b>-111.5</b>	+22.8 bln yen	
<b>Consolidated total</b>	Sales	8,215.9	<b>8,105.7</b>	-1.3%	
	Operating income	68.5	<b>294.2</b>	+225.6 bln yen	

- Due to Sony's modification to its organizational structure in FY15, certain figures in FY14 have been reclassified to conform to the presentation of FY15 (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 operating revenue and intersegment sales (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, 2016" released on April 28 (applies to all following pages)

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## Q4 FY2015 Results by Segment

		Q4 FY14	Q4 FY15	Change	FX Impact
<b>Mobile Communications (MC)</b>	Sales	294.9	<b>183.2</b>	-37.9%	-2%
	Operating income	-55.7	<b>-42.1</b>	+13.7 bln yen	+1.0 bln yen
<b>Game &amp; Network Services (G&amp;NS)</b>	Sales	289.5	<b>315.5</b>	+9.0%	-1%
	Operating income	-5.6	<b>5.1</b>	+10.7 bln yen	+0.2 bln yen
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	Sales	177.3	<b>160.4</b>	-9.6%	-4%
	Operating income	-9.6	<b>6.5</b>	+16.1 bln yen	-3.2 bln yen
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	Sales	234.4	<b>214.8</b>	-8.3%	-5%
	Operating income	-19.8	<b>-7.3</b>	+12.5 bln yen	-3.6 bln yen
<b>Devices</b>	Sales	224.6	<b>189.9</b>	-15.5%	-2%
	Operating income	-4.6	<b>-79.9</b>	-75.3 bln yen	-1.5 bln yen
<b>Pictures</b>	Sales	295.1	<b>320.7</b>	+8.7%	-4%
	Operating income	45.5	<b>52.3</b>	+6.8 bln yen	
<b>Music</b>	Sales	151.1	<b>167.5</b>	+10.9%	-2%
	Operating income	10.9	<b>13.6</b>	+2.7 bln yen	
<b>Financial Services</b>	Revenue	262.2	<b>260.9</b>	-0.5%	
	Operating income	51.0	<b>17.2</b>	-33.8 bln yen	
<b>All Other</b>	Sales	81.0	<b>74.2</b>	-8.4%	
	Operating income	-48.5	<b>-4.3</b>	+44.1 bln yen	
<b>Corporate and elimination</b>	Sales	-72.4	<b>-63.1</b>	-	
	Operating income	-61.3	<b>-53.9</b>	+7.4 bln yen	
<b>Consolidated total</b>	Sales	1,937.7	<b>1,824.1</b>	-5.9%	
	Operating income	-97.8	<b>-92.9</b>	+4.9 bln yen	

(Bln Yen)

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## FY2016 Consolidated Results Forecast

	FY14 Results	FY15 Results	FY16 Forecast	Change from FY15
Sales & operating revenue	8,215.9	8,105.7	<b>7,800</b>	-3.8%
Operating income	68.5	294.2	<b>300</b>	+2.0%
Income before income taxes	39.7	304.5	<b>270</b>	-11.3%
Net income attributable to Sony Corporation's stockholders	-126.0	147.8	<b>80</b>	-45.9%
Restructuring charges	98.0	38.3	<b>12</b>	-68.6%
Capital expenditures	251.0	468.9	<b>355</b>	-24.3%
Depreciation & amortization	354.6	397.1	<b>385</b>	-3.0%
Research & development	464.3	468.2	<b>460</b>	-1.7%
Foreign exchange rates	Actual	Actual	<b>Assumption</b>	
1 US dollar	109.9 yen	120.1 yen	<b>Approx. 110 yen</b>	
1 Euro	138.8 yen	132.6 yen	<b>Approx. 120 yen</b>	

(Bln Yen)

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## FY2016 Results Forecast by Segment [Reclassified]

(Bln Yen)

		FY14 Results	FY15 Results	FY16 Forecast	Change from FY15	Segment Forecast Rate Assumption
<b>Mobile Communications (MC)</b>	Sales	1,410.2	1,127.5	<b>940</b>	-16.6%	1 US dollar 113 yen
	Operating income	-217.6	-61.4	<b>5</b>	+66.4 bln yen	1 Euro 129 yen
<b>Game &amp; Network Services (G&amp;NS)</b>	Sales	1,388.0	1,551.9	<b>1,680</b>	+8.3%	
	Operating income	48.1	88.7	<b>135</b>	+46.3 bln yen	
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	Sales	700.6	684.0	<b>530</b>	-22.5%	
	Operating income	38.8	69.3	<b>16</b>	-53.3 bln yen	
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	Sales	1,238.1	1,159.0	<b>1,040</b>	-10.3%	
	Operating income	24.1	50.6	<b>36</b>	-14.6 bln yen	
<b>Devices</b>	Sales	950.4	963.0	<b>960</b>	-0.3%	
	Operating income	88.6	-29.2	<b>-40</b>	-10.8 bln yen	
<b>Pictures</b>	Sales	878.7	938.1	<b>1,010</b>	+7.7%	
	Operating income	58.5	38.5	<b>43</b>	+4.5 bln yen	
<b>Music</b>	Sales	559.2	617.6	<b>550</b>	-11.0%	
	Operating income	60.6	87.3	<b>63</b>	-24.3 bln yen	
<b>Financial Services</b>	Revenue	1,083.6	1,073.1	<b>1,140</b>	+6.2%	
	Operating income	193.3	156.5	<b>150</b>	-6.5 bln yen	
<b>All Other, Corporate and elimination</b>	Operating income	-131.0	-106.0	<b>-108</b>	-2.0 bln yen	
<b>Consolidated total</b>	Sales	8,215.9	8,105.7	<b>7,800</b>	-3.8%	
	Operating income	68.5	294.2	<b>300</b>	+5.8 bln yen	

The 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. 20 bln yen negative impact)

· Due to Sony's modification to its organizational structure in FY16, certain figures in past fiscal years have been reclassified to conform to the presentation of FY16 (see Page 28 for more details).

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## Impact of the 2016 Kumamoto Earthquakes on Operating Income

(Compared to the level anticipated prior to the Earthquakes)

(Bln yen)

	Physical Damage	Opportunity Losses	Total Earthquake Impact
<b>Imaging Products &amp; Solution (IP&amp;S)</b>	-	<b>-45</b>	<b>-45</b>
<b>Devices</b>	<b>-25</b>	<b>-35</b>	<b>-60</b>
<b>Corporate</b>	-	<b>-10</b>	<b>-10</b>
<b>Consolidated total</b>	<b>-25</b>	<b>-90</b>	<b>-115</b>

· Figures shown above do not include expected insurance recoveries

· Opportunity losses in Corporate are fixed costs that were scheduled to be allocated to IP&S and Devices segments based on sales, and are no longer expected to be allocated from Corporate

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# Impact of Corporate Cost Allocation Method Change on Operating Income by Segment

(Bln yen)

	FY16 Operating Income Forecast	Impact of corporate cost allocation method change
Mobile Communications (MC)	5	-3.8
Game & Network Services (G&NS)	135	-3.0
Imaging Products & Solutions (IP&S)	16	-3.5
Home Entertainment & Sound (HE&S)	36	-14.1
Devices	-40	-5.8
Pictures	43	-2.7
Music	63	-2.1
Financial Services	150	0
All Other and Corporate	-108	+35.0
<b>Consolidated total</b>	<b>300</b>	<b>0</b>

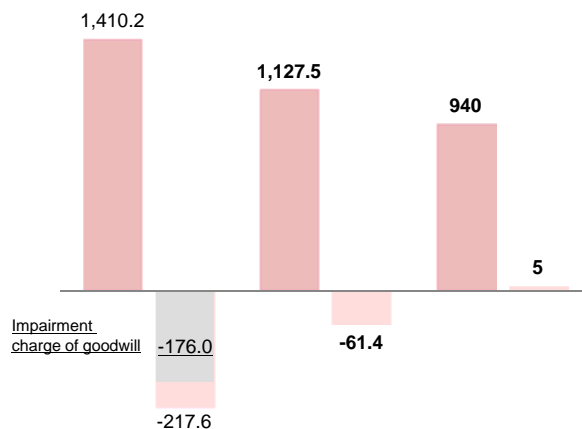
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## Mobile Communications Segment

### Sales and Operating Income

■ Sales  
■ Operating Income

(Bln Yen)



(Mln Units)	FY14	FY15	FY16 FCT
Smartphones	39.1	24.9	20

### FY2015

■ Sales: 20.0% decrease (FX Impact: -0%)

- (-) Significant decrease in smartphone unit sales resulting from a strategic decision not to pursue scale in order to improve profitability
- (+ ) Improvement in the product mix of smartphones, reflecting an increased focus on high value-added models

■ OI: 156.1 bln yen improvement (FX Impact: -67.5 bln yen)

- (+ ) Absence of the goodwill impairment charge of 176.0 billion yen recorded in FY14
- (+ ) Improvement in product mix
- (+ ) Cost reductions
- (-) Decrease in smartphone unit sales
- (-) Negative impact of the appreciation of the U.S. dollar, reflecting the high ratio of U.S. dollar-denominated costs
- (-) Increase in the restructuring charges

### FY2016 Forecast

■ Sales: 16.6% decrease

- (-) Reduction in mainly mid-range smartphone unit sales reflecting an increased focus on high value-added models
- (-) Reduction in smartphone unit sales in unprofitable geographical areas where downsizing measures were implemented during FY15

■ OI: 66.4 bln yen improvement

- (+ ) Improvement in product mix
- (+ ) Cost reductions primarily reflecting the benefit of restructuring initiatives
- (+ ) Reduction in restructuring charges
- (-) Decrease in sales

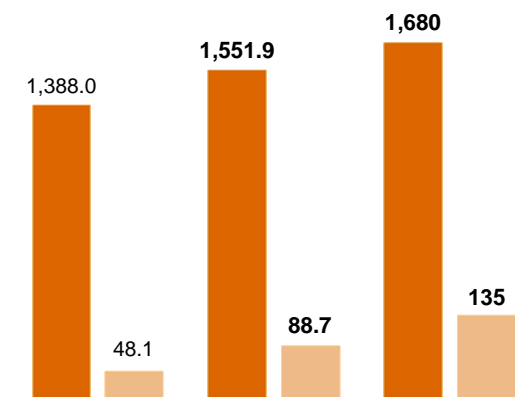
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## Game & Network Services Segment

### Sales and Operating Income

(Bln Yen)

- Sales
- Operating Income



(Mln Units)	FY14	FY15	FY16 FCT
PS4	14.8	17.7	20

### FY2015

- Sales: 11.8% increase (FX Impact: +2%)
  - (+ Increase in PS4 software sales including sales through the network
  - (+ Increase in PS4 hardware unit sales
  - (- Decrease in PS3 software and hardware sales
- OI: 40.6 bln yen increase (FX Impact: -47.7 bln yen)
  - (+ Increase in PS4 software sales
  - (+ PS4 hardware cost reductions
  - (+ Absence of 11.2 bln yen write-down of PS Vita and PS TV components recorded in FY14
  - (- Negative impact of the appreciation of the U.S. dollar, reflecting the high ratio of U.S. dollar-denominated costs
  - (- Decrease in PS3 software sales

### FY2016 Forecast

- Sales: 8.3% increase
  - (+ Increase in PS4 software sales including sales through the network
  - (+ Increase in PS4 hardware unit sales
- OI: 46.3 bln yen increase
  - (+ Increase in PS4 software and hardware sales
  - (- Decrease in PS3 software sales

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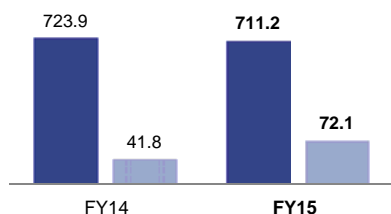
## Imaging Products & Solutions Segment

### Sales and Operating Income

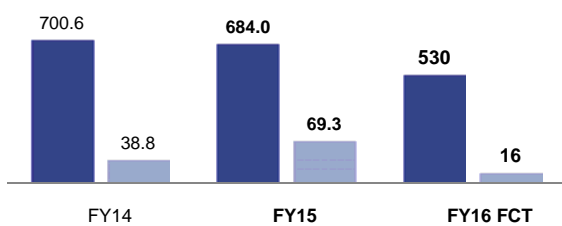
(Bln Yen)

- Sales
- Operating Income

<Before Segment Realignment>



<After Segment Realignment>



(Mln Units)	FY14	FY15	FY16 FCT
Digital Cameras <sup>1</sup>	8.5	6.1	- <sup>2</sup>

### FY2015

- Sales: 1.7% decrease (FX Impact: +3%)
  - (- Decreases in unit sales of video cameras and digital cameras<sup>3</sup> reflecting a contraction of the market
  - (+ Improvement in the product mix of digital cameras<sup>3</sup> reflecting a shift to high value-added models
- OI: 30.4 bln yen increase (FX Impact: -1.6 bln yen)
  - (+ Improvement in the product mix of digital cameras<sup>3</sup>
  - (+ Cost reductions

### FY2016 Forecast

- Sales: 22.5% decrease
  - (- Significant decreases in sales of digital cameras<sup>3</sup> and broadcast- and professional-use products, including sales decrease resulting from a delay in the supply of components due to 2016 Kumamoto earthquake impact
- OI: 53.3bln yen decrease
  - (- Decrease in sales
  - (+ Cost reductions

<sup>3</sup> Includes compact digital cameras, interchangeable single-lens cameras and interchangeable lenses

<sup>1</sup> Includes compact digital cameras and interchangeable single-lens cameras / Excludes interchangeable lenses (applies to all following pages)

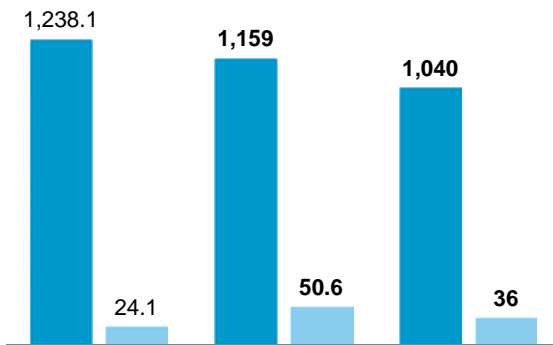
<sup>2</sup> Due to the 2016 Kumamoto Earthquakes, Sony is unable to formulate FY16 forecast for digital camera unit sales (applies to all following pages)

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## Home Entertainment & Sound Segment

### Sales and Operating Income

■ Sales  
■ Operating Income (Bln Yen)



TV Business (included above)	FY14	FY15	FY16 FCT
Sales	835.1	797.8	-
Operating Income	8.3	25.8	-
LCD TVs (Mln Units)	14.6	12.2	12

### FY2015

- Sales: 6.4% decrease (FX Impact: +2%)
  - (-) Decrease in LCD TV unit sales
  - (-) Decrease in home audio and video unit sales reflecting a contraction of the market
  - (+ ) Improvement in the product mix of LCD TVs reflecting a shift to high value-added models
  - (+ ) Impact of foreign exchange rates
- OI: 26.5 bln yen increase (FX Impact: -36.7 bln yen)
  - (+ ) Cost reductions
  - (+ ) Improvement in product mix
  - (-) Negative impact of the appreciation of the U.S. dollar reflecting the high ratio of U.S. dollar-denominated costs
  - (-) Decrease in sales

### FY2016 Forecast

- Sales: 10.3% decrease
  - (-) Impact of foreign exchange rates
  - (-) Decrease in home audio and video unit sales reflecting a contraction of the market
- OI: 14.6 bln yen decrease
  - (-) Decrease in sales
  - (-) Increase in expenses resulting from the change in the method of calculating royalties and other costs for brand and patent utilization, pursuant to the separation of Sony's businesses into distinct subsidiaries and the realignment of corporate functions
  - (+ ) Cost reductions
  - (+ ) Improvement in product mix

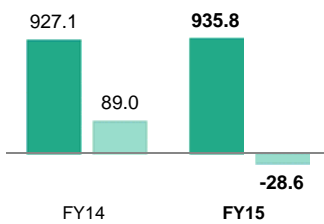
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## Devices Segment

### Sales and Operating Income

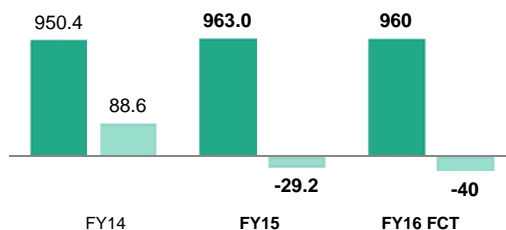
■ Sales  
■ Operating Income (Bln Yen)

<Before Segment Realignment>



<b>Semiconductor Sales</b>	614.3	655.1
for Image Sensors (included above)	454.4	477.6
<b>Semiconductor CAPEX</b>	70.0	253.0
for Image Sensors (included above)	44.0	205.0

<After Segment Realignment>



<b>Semiconductor Sales</b>	682.4	690
for Image Sensors (included above)	477.6	510
<b>Semiconductor CAPEX</b>	255.0	120
for Image Sensors (included above)	206.0	70

### FY2015

- Sales: 0.9% increase (FX Impact: +7%)
  - (+ ) Impact of foreign exchange rates
  - (+ ) Increase in camera modules and image sensor sales
  - (-) Decrease in battery business sales
- OI: 117.6 bln yen deterioration (FX Impact: +24.7 bln yen)
  - (-) Deterioration in the operating results of the camera module business, including a 59.6 bln yen (528 million U.S. dollars) impairment charge related to long-lived assets
  - (-) Deterioration in the operating results of the battery business, including a 30.6 bln yen (271 million U.S. dollars) impairment charge related to long-lived assets
  - (-) Increases in depreciation and amortization expenses as well as in research and development expenses
  - (+ ) Positive impact of foreign exchange rates

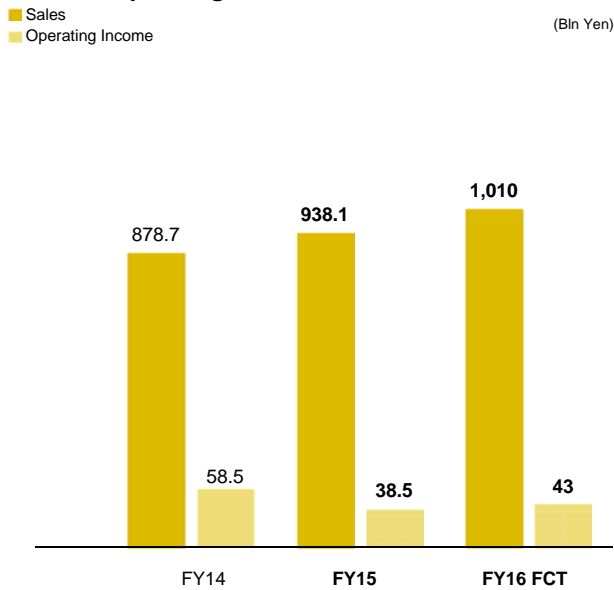
### FY2016 Forecast

- Sales: 0.3% decrease
  - (-) Impact of foreign exchange rates
  - (+ ) Increase in sales of image sensors for mobile products
- OI: 10.8 bln yen decrease
  - (-) Negative impact of the 2016 Kumamoto Earthquakes
  - (-) Expenses associated with the termination of the development and manufacturing of certain camera modules (approx. 30 bln yen)
  - (-) Negative impact of foreign exchange rates
  - (+ ) Absence of long-lived assets impairment charges recorded in FY15: 59.6 billion yen in camera module business and 30.6 bln yen in the battery business
  - (+ ) Insurance recoveries related to the 2016 Kumamoto Earthquakes (approx. 10 bln yen)

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## Pictures Segment

### Sales and Operating Income



#### FY2015

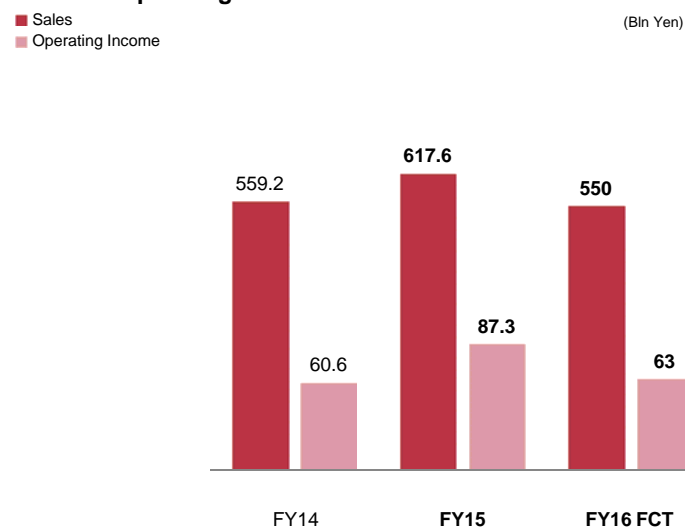
- Sales: 6.8% increase (U.S. dollar basis: essentially flat year-on-year)  
*The following sales analysis is on a U.S. dollar basis*
  - (+ Increase in Media Network sales due to higher advertising revenues in India and the United Kingdom
  - (+ Increase in Television Productions sales due to higher subscription video-on-demand licensing revenues for *Breaking Bad*, *The Blacklist* and *Better Call Saul*
  - (-) Impact of foreign exchange rates
  - (-) Decrease in Motion Pictures sales
    - (-) Decrease in home entertainment revenues as FY14 benefited from the strong home entertainment performances of *The Amazing Spider-Man 2*, *22 Jump Street* and *Heaven Is For Real*
    - (+ Higher theatrical revenues in FY15 driven by the strong worldwide theatrical performances of *Spectre* and *Hotel Transylvania 2*
- OI: 20.0 bln yen decrease
  - (-) Decrease in home entertainment revenues
  - (-) Underperformance of *The Walk* and *The Brothers Grimsby*
  - (-) Negative impact of foreign exchange rates
  - (+ Higher Media Network revenue in India and the United Kingdom
  - (+ Strong worldwide theatrical performance of *Hotel Transylvania 2*

#### FY2016 Forecast

- Sales: 7.7% increase
  - (+ Increase in Media Networks sales
- OI: 4.5 bln yen increase
  - (+ Increase in Media Networks sales

## Music Segment

### Sales and Operating Income



#### FY2015

- Sales: 10.4% increase (FX Impact: +5%)
  - (+ Significantly higher Visual Media and Platform sales reflecting the continued strong performance of a game application for mobile devices
  - (+ Increase in Recorded Music sales
    - (+ Higher digital streaming revenues
    - (-) Worldwide decline in physical and digital download sales
- OI: 26.7 bln yen increase
  - (+ Gain recorded on the remeasurement to fair value of SME's 51% equity interest in Orchard Media, Inc.
  - (+ Increase in digital streaming revenues in Recorded Music
  - (+ Increase in Visual Media and Platform sales
  - (-) Decline in physical and digital download sales in Recorded Music

#### FY2016 Forecast

- Sales: 11.0% decrease
  - (-) Impact of foreign exchange rates
  - (-) Lower sales from Recorded Music's titles compared to the hit titles in FY15
- OI: 24.3 bln yen decrease
  - (-) Recording of a gain on the remeasurement to fair value of SME's 51% equity interest in Orchard Media, Inc. in FY15
  - (-) Decrease in sales

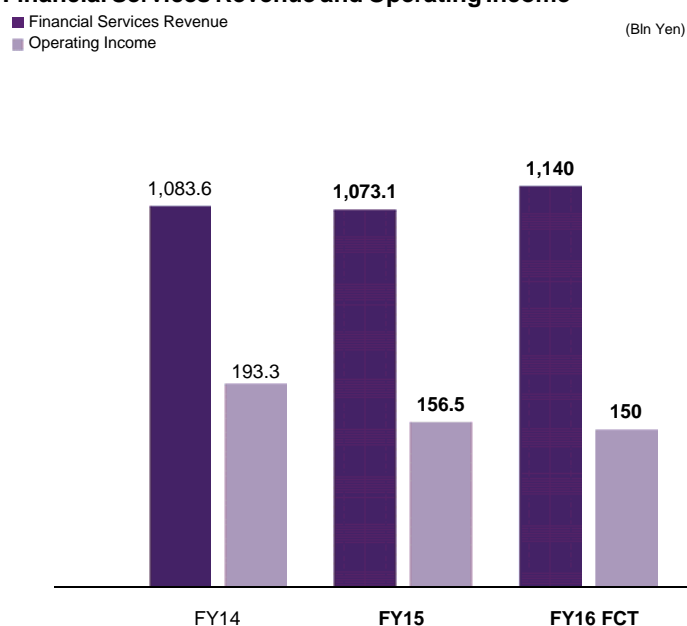
Recorded Music Category Revenue	383.4	412.7	-
Streaming** Revenue Percentage (included above)	19%	27%	-

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



## Financial Services Segment

### Financial Services Revenue and Operating Income



#### FY2015

- Revenue: 1.0% decrease
  - Revenue at Sony Life: essentially flat year-on-year (revenue: 952.6 bln yen)
  - (-) Deterioration in investment performance in the separate account driven by the deterioration in the stock market
  - (+ ) Increase in insurance premium revenue reflecting a steady increase in policy amount in force
- OI: 36.8 bln yen decrease
  - (-) Decrease in OI of Sony Life (39.2 bln yen decrease, OI: 138.8 bln yen)
  - (-) Increases in the amortization of deferred insurance acquisition costs and the provision of policy reserves, primarily driven by a significant decrease in interest rates and the deterioration in the stock market

#### FY2016 Forecast

- Revenue: 6.2% increase
  - (+ ) Increase in insurance premium revenue reflecting an increase in policy amount in force at Sony Life
- OI : 6.5 bln yen decrease
  - (-) Primarily due to not incorporating into the forecast the impact of market fluctuations, such as foreign exchange net gains on foreign currency-denominated customer deposits at Sony Bank realized in FY15

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## Return on Invested Capital (ROIC) by Segment Results & Forecast [Reclassified]

	FY15	FY16 FCT
Mobile Communications (MC)	-	1.6%
Game & Network Services (G&NS)	14.9%	21.6%
Imaging Products & Solutions (IP&S)	31.8%	7.5%
Home Entertainment & Sound (HE&S)	20.7%	14.7%
Devices	-	-
Pictures	3.0%	3.2%
Music	21.6%	14.2%

ROIC is operating income after tax divided by invested capital

Tax Rate: A 34% rate has been applied to all segments

Invested Capital: The total of long-lived assets, goodwill, investment and inventory have been used for the MC, G&NS, IP&S, HE&S and Devices segments. The total of equity and net debt have been used for the Pictures and Music segments (deposits in group companies are excluded from debt)

The amount of inventory of the MC, G&NS, IP&S, HE&S and Devices segments and the invested capital of the Pictures and Music segments have been calculated by averaging the amount of each at five points in time -- the beginning of the fiscal year and the end of each four quarters

The amount of long-lived assets, goodwill and investment of the MC, G&NS, IP&S, HE&S and Devices segments have been calculated by averaging the amount at the beginning and end of the fiscal year

Due to Sony's modification to its organizational structure in FY16, ROIC for FY15 has been reclassified to conform to the presentation of FY16 (see Page 28 for more details).

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## Inventory by Segment

(Bln Yen)

	FY13	FY14				FY15				
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
<b>Mobile Communications (MC)</b>	132.5	116.8	142.3	144.0	94.0	129.6	149.9	120.4	<b>84.5</b>	
<b>Game &amp; Network Services (G&amp;NS)</b>	91.9	128.2	193.7	97.4	86.6	116.8	220.7	75.2	<b>84.2</b>	
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	80.8	85.5	91.6	99.3	77.9	88.8	84.7	79.4	<b>68.7</b>	
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	157.6	174.4	219.7	164.5	133.0	149.1	156.0	119.1	<b>105.3</b>	
<b>Devices</b>	157.0	176.8	177.4	167.1	171.9	193.5	222.2	250.6	<b>257.2</b>	
<b>Pictures</b>	39.6	44.6	48.0	49.7	54.1	55.9	53.2	48.5	<b>43.6</b>	
<b>Music</b>	13.2	13.1	14.1	16.4	14.5	14.7	15.8	16.3	<b>14.1</b>	
<b>All Other and Corporate</b>	61.3	52.6	60.0	43.1	33.4	32.0	45.7	32.2	<b>25.5</b>	
<b>Consolidated total</b>	<b>733.9</b>	<b>792.0</b>	<b>946.8</b>	<b>781.5</b>	<b>665.4</b>	<b>780.4</b>	<b>948.2</b>	<b>741.7</b>	<b>683.1</b>	
<b>Exchange rate at period-end</b>	<b>1 US dollar</b>	102.9 yen	101.4 yen	109.5 yen	119.5 yen	120.2 yen	122.5 yen	120.0 yen	120.5 yen	<b>112.7 yen</b>
	<b>1 Euro</b>	141.7 yen	138.3 yen	138.9 yen	145.3 yen	130.3 yen	137.2 yen	135.0 yen	131.8 yen	<b>127.7 yen</b>

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## Long-lived Assets and Goodwill by Segment

(Bln Yen)

		FY14	FY15			
			Q1	Q2	Q3	Q4
<b>Mobile Communications (MC)</b>	Long-lived assets	92.1	90.2	84.8	85.1	<b>84.6</b>
	Goodwill	3.3	3.3	3.3	3.3	<b>3.3</b>
<b>Game &amp; Network Services (G&amp;NS)</b>	Long-lived assets	122.8	126.6	125.5	124.9	<b>123.3</b>
	Goodwill	154.4	155.2	154.5	154.5	<b>152.3</b>
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	Long-lived assets	68.9	67.4	66.1	63.1	<b>63.4</b>
	Goodwill	6.9	7.2	8.5	8.4	<b>8.3</b>
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	Long-lived assets	22.9	27.4	22.0	23.2	<b>22.5</b>
	Goodwill	-	-	-	-	<b>-</b>
<b>Devices</b>	Long-lived assets	352.1	365.9	412.8	427.3	<b>427.3</b>
	Goodwill	37.8	39.0	38.9	40.5	<b>56.8</b>
<b>Pictures</b>	Long-lived assets	143.5	146.7	148.8	146.7	<b>141.4</b>
	Goodwill	224.2	230.8	235.3	235.5	<b>221.5</b>
<b>Music</b>	Long-lived assets	244.8	263.6	257.9	254.6	<b>240.6</b>
	Goodwill	132.4	171.1	167.9	168.1	<b>161.8</b>
<b>Financial Services</b>	Long-lived assets	50.4	49.3	50.2	48.1	<b>47.7</b>
	Goodwill	2.3	2.3	2.3	2.3	<b>2.3</b>
<b>All Other and Corporate</b>	Long-lived assets	284.1	292.4	283.3	282.7	<b>285.5</b>
	Goodwill	-	-	-	-	<b>-</b>
<b>Consolidated total</b>	Long-lived assets	<b>1,381.6</b>	<b>1,429.5</b>	<b>1,451.4</b>	<b>1,455.7</b>	<b>1,436.3</b>
	Goodwill	<b>561.3</b>	<b>608.9</b>	<b>610.7</b>	<b>612.6</b>	<b>606.3</b>

· Long-lived assets include property, plant and equipment and intangible assets

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## Depreciation & Amortization by Segment

(Mln Yen)

	FY13	FY14					FY15				
		Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
<b>Mobile Communications (MC)</b>	23,815	6,949	4,951	6,072	6,156	24,128	6,196	6,011	6,049	5,930	24,186
<b>Game &amp; Network Services (G&amp;NS)</b>	16,529	4,000	4,426	4,740	5,170	18,336	4,640	4,507	5,603	6,048	20,798
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	39,589	7,150	8,492	7,449	9,531	32,622	7,268	7,130	6,757	7,318	28,472
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	25,806	6,105	6,138	6,356	6,639	25,238	5,581	5,806	5,428	4,966	21,781
<b>Devices</b>	106,472	21,014	21,588	21,967	23,226	87,795	24,135	26,935	27,836	27,069	105,975
<b>Pictures</b>	18,078	4,565	4,691	5,241	5,483	19,980	5,252	5,471	5,922	5,730	22,375
<b>Music</b>	15,572	3,594	3,669	3,652	3,729	14,644	4,181	4,624	4,650	4,340	17,795
<b>Financial Services</b>	54,348	15,619	13,602	13,770	23,232	66,223	16,521	24,044	16,005	45,700	102,270
<b>All Other</b>	25,416	2,531	2,262	2,414	4,300	11,507	1,444	1,548	4,564	2,729	10,286
<b>Corporate</b>	51,070	12,771	12,630	12,672	16,078	54,151	11,803	10,958	8,261	12,131	43,153
<b>Consolidated total</b>	376,695	84,298	82,449	84,333	103,544	354,624	87,021	97,034	91,075	121,961	397,091

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## Restructuring Charges by Segment

(Mln Yen)

	FY13	FY14					FY15				
		Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
<b>Mobile Communications (MC)</b>	3,611	13	44	1,790	3,944	5,791	8,052	4,258	2,636	6,692	21,638
<b>Game &amp; Network Services (G&amp;NS)</b>	371	64	-	12	7,196	7,272	15	-	120	-	135
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	3,820	129	71	315	6,824	7,339	44	16	4	140	204
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	1,592	540	37	3	1,380	1,960	-57	5	555	704	1,207
<b>Devices</b>	8,894	542	2,823	220	3,837	7,422	-30	34	26	-121	-91
<b>Pictures</b>	6,735	-	16	166	1,736	1,918	49	121	-169	1,605	1,606
<b>Music</b>	685	25	35	1,317	737	2,114	77	258	104	1,429	1,868
<b>Financial Services</b>	-	-	-	-	-	-	-	-	-	-	-
<b>All Other and Corporate</b>	54,881	13,949	6,398	5,225	38,648	64,220	1,981	913	2,806	5,992	11,692
<b>Consolidated total</b>	80,589	15,262	9,424	9,049	64,302	98,036	10,131	5,605	6,082	16,441	38,259

- Restructuring Charges include depreciation associated with restructured assets

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## Research & Development by Segment

(Bln Yen)

	FY13	FY14	FY15
<b>Mobile Communications (MC)</b>	83.4	91.0	<b>78.1</b>
<b>Game &amp; Network Services (G&amp;NS)</b>	88.7	89.1	<b>91.9</b>
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	69.7	67.3	<b>64.1</b>
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	55.2	49.3	<b>44.8</b>
<b>Devices</b>	96.7	104.8	<b>131.0</b>
<b>Corporate R&amp;D</b>	42.1	38.1	<b>32.5</b>
<b>Consolidated total</b>	<b>466.0</b>	<b>464.3</b>	<b>468.2</b>

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## Results by Segment

(Mln Yen)

		FY13	FY14					FY15				
			Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
<b>Mobile Communications (MC)</b>	Sales	1,265,014	334,980	329,466	450,858	294,911	1,410,215	280,524	279,225	384,514	<b>183,210</b>	<b>1,127,473</b>
	Operating income	8,721	-1,609	-170,588	10,356	-55,733	-217,574	-22,924	-20,601	24,148	<b>-42,058</b>	<b>-61,435</b>
<b>Game &amp; Network Services (G&amp;NS)</b>	Sales	1,043,858	257,530	309,479	531,537	289,483	1,388,029	288,589	360,682	587,088	<b>315,534</b>	<b>1,551,893</b>
	Operating income	-18,845	4,319	21,790	27,608	-5,613	48,104	19,459	23,920	40,168	<b>5,121</b>	<b>88,668</b>
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	Sales	743,805	165,192	179,407	201,931	177,320	723,850	171,255	187,663	191,890	<b>160,384</b>	<b>711,192</b>
	Operating income	12,201	14,550	17,169	19,660	-9,600	41,779	18,408	23,582	23,688	<b>6,456</b>	<b>72,134</b>
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	Sales	1,199,738	293,743	289,659	420,247	234,408	1,238,057	253,149	289,065	401,992	<b>214,836</b>	<b>1,159,042</b>
	Operating income	-20,982	8,834	9,065	25,993	-19,790	24,102	10,923	15,763	31,151	<b>-7,279</b>	<b>50,558</b>
<b>Devices</b>	Sales	741,820	176,085	240,415	285,944	224,636	927,080	237,897	258,103	249,875	<b>189,905</b>	<b>935,780</b>
	Operating income	-16,937	11,500	28,335	53,833	-4,637	89,031	30,342	32,690	-11,672	<b>-79,940</b>	<b>-28,580</b>
<b>Pictures</b>	Sales	829,584	194,770	182,183	206,580	295,148	878,681	171,549	183,742	262,119	<b>320,732</b>	<b>938,142</b>
	Operating income	51,619	7,831	-1,041	6,219	45,518	58,527	-11,687	-22,466	20,358	<b>52,302</b>	<b>38,507</b>
<b>Music</b>	Sales	516,956	120,037	120,619	167,525	151,063	559,244	130,191	138,671	181,234	<b>167,548</b>	<b>617,644</b>
	Operating income	52,406	11,634	12,163	25,923	10,884	60,604	31,750	14,590	27,407	<b>13,576</b>	<b>87,323</b>
<b>Financial Services</b>	Revenue	993,846	246,967	269,576	304,926	262,160	1,083,629	279,386	210,732	322,043	<b>260,908</b>	<b>1,073,069</b>
	Operating income	170,292	43,772	47,686	50,850	50,999	193,307	45,972	41,175	52,220	<b>17,176</b>	<b>156,543</b>
<b>All Other</b>	Sales	761,772	102,327	85,731	117,595	80,950	386,603	77,576	84,688	96,798	<b>74,179</b>	<b>333,241</b>
	Operating income	-120,245	-17,092	-16,855	-12,576	-48,454	-94,977	-2,097	2,728	5,689	<b>-4,311</b>	<b>2,009</b>
<b>Corporate and elimination</b>	Sales	-329,128	-81,723	-105,024	-120,394	-72,367	-379,508	-82,057	-99,831	-96,741	<b>-63,135</b>	<b>-341,764</b>
	Operating income	-91,735	-13,925	-33,312	-25,771	-61,346	-134,355	-23,239	-23,363	-11,012	<b>-53,916</b>	<b>-111,530</b>
<b>Consolidated total</b>	Sales	7,767,266	1,809,908	1,901,511	2,566,749	1,937,712	8,215,880	1,808,059	1,892,740	2,580,812	<b>1,824,101</b>	<b>8,105,712</b>
	Operating income	26,495	69,814	-85,588	182,095	-97,773	68,548	96,907	88,018	202,145	<b>-92,873</b>	<b>294,197</b>
<b>Average rate</b>	1 US dollar	100.2 yen	102.2 yen	103.9 yen	114.5 yen	119.1 yen	109.9 yen	121.3 yen	122.2 yen	121.4 yen	<b>115.4 yen</b>	<b>120.1 yen</b>
	1 Euro	134.4 yen	140.1 yen	137.8 yen	143.0 yen	134.4 yen	138.8 yen	134.2 yen	135.9 yen	133.0 yen	<b>127.2 yen</b>	<b>132.6 yen</b>

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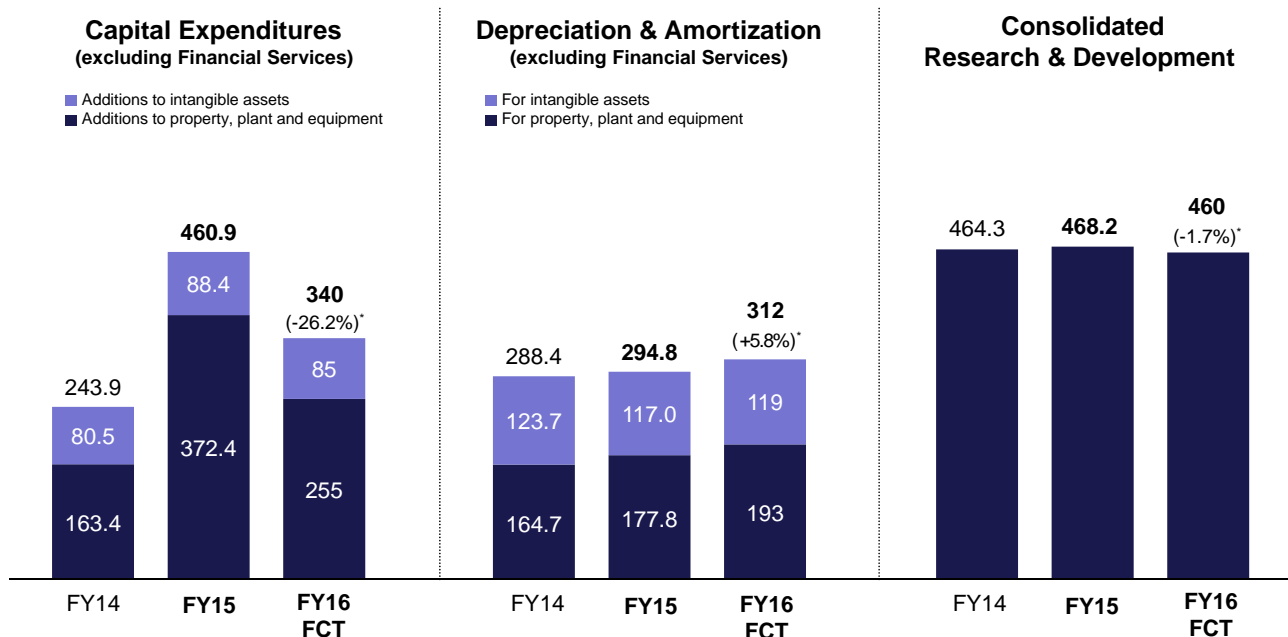
## Sales to Customers by Product Category (to external customers)

	FY13	FY14					FY15					(Mln Yen)
		Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	
<b>Mobile Communications (MC)</b>	1,262,849	334,742	329,212	450,600	294,625	1,409,179	279,536	278,279	382,262	181,848	1,121,925	
<b>Game &amp; Network Services (G&amp;NS)</b>	Hardware	513,425	136,873	160,689	321,744	114,451	733,757	129,465	168,434	326,589	97,341	721,829
	Network	200,229	69,253	71,123	102,025	109,066	351,467	105,801	111,534	152,067	159,916	529,318
	Other	232,825	25,242	53,942	75,473	52,265	206,922	30,632	61,114	86,564	50,318	228,628
	<b>Total</b>	<b>946,479</b>	<b>231,368</b>	<b>285,754</b>	<b>499,242</b>	<b>275,782</b>	<b>1,292,146</b>	<b>265,898</b>	<b>341,082</b>	<b>565,220</b>	<b>307,575</b>	<b>1,479,775</b>
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	Digital Imaging Products	442,723	106,135	109,565	126,361	90,533	432,594	107,156	112,844	119,397	78,835	418,232
	Professional Solutions	277,417	55,716	64,822	70,658	80,707	271,903	57,120	67,411	64,943	73,201	262,675
	Other	19,660	2,876	3,563	4,300	4,902	15,641	5,746	5,559	5,772	6,484	23,561
	<b>Total</b>	<b>739,800</b>	<b>164,727</b>	<b>177,950</b>	<b>201,319</b>	<b>176,142</b>	<b>720,138</b>	<b>170,022</b>	<b>185,814</b>	<b>190,112</b>	<b>158,520</b>	<b>704,468</b>
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	Televisions	754,308	204,989	199,742	280,572	149,765	835,068	168,920	203,008	278,470	147,366	797,764
	Audio and Video	431,519	87,414	89,023	138,013	82,364	396,814	81,311	85,162	121,975	66,498	354,946
	Other	10,871	646	99	1,097	1,962	3,804	2,256	31	119	-31	2,375
	<b>Total</b>	<b>1,196,698</b>	<b>293,049</b>	<b>288,864</b>	<b>419,682</b>	<b>234,091</b>	<b>1,235,686</b>	<b>252,487</b>	<b>288,201</b>	<b>400,564</b>	<b>213,833</b>	<b>1,155,085</b>
<b>Devices</b>	Semiconductors	342,072	84,948	118,095	162,884	135,088	501,015	140,415	149,510	155,881	113,177	558,983
	Components	207,833	50,039	54,287	59,415	54,194	217,935	50,155	52,216	49,040	45,905	197,316
	Other	2,493	1,748	1,464	2,457	1,341	7,010	2,435	2,255	2,946	2,822	10,458
	<b>Total</b>	<b>552,398</b>	<b>136,735</b>	<b>173,846</b>	<b>224,756</b>	<b>190,623</b>	<b>725,960</b>	<b>193,005</b>	<b>203,981</b>	<b>207,867</b>	<b>161,904</b>	<b>766,757</b>
<b>Pictures</b>	Motion Pictures	422,255	104,626	97,339	100,723	131,565	434,253	58,175	91,152	149,140	148,888	447,355
	Television Productions	247,568	42,362	44,259	51,831	114,004	252,456	50,975	42,333	54,863	121,944	270,115
	Media Networks	158,845	47,678	40,309	53,916	47,702	189,605	62,270	50,101	55,797	50,189	218,357
	<b>Total</b>	<b>828,668</b>	<b>194,666</b>	<b>181,907</b>	<b>206,470</b>	<b>293,271</b>	<b>876,314</b>	<b>171,420</b>	<b>183,586</b>	<b>259,800</b>	<b>321,021</b>	<b>935,827</b>
<b>Music</b>	Recorded Music	347,684	79,395	80,429	122,211	101,315	383,350	89,328	90,567	131,637	101,186	412,718
	Music Publishing	66,869	16,288	16,366	16,675	21,630	70,959	17,844	17,698	16,721	18,995	71,258
	Visual Media and Platform	83,777	19,178	19,921	23,924	23,172	86,195	19,808	26,814	28,596	41,775	116,993
	<b>Total</b>	<b>498,330</b>	<b>114,861</b>	<b>116,716</b>	<b>162,810</b>	<b>146,117</b>	<b>540,504</b>	<b>126,980</b>	<b>135,079</b>	<b>176,954</b>	<b>161,956</b>	<b>600,969</b>
<b>Financial Services</b>	988,944	245,750	268,192	303,211	260,451	1,077,604	277,689	209,035	320,368	259,227	1,066,319	
<b>All Other</b>	701,089	82,231	64,074	91,598	60,791	298,694	58,710	61,309	71,564	50,566	242,149	
<b>Corporate</b>	52,011	11,779	14,996	7,061	5,819	39,655	12,312	6,374	6,101	7,651	32,438	
<b>Consolidated total</b>	<b>7,767,266</b>	<b>1,809,908</b>	<b>1,901,511</b>	<b>2,566,749</b>	<b>1,937,712</b>	<b>8,215,880</b>	<b>1,808,059</b>	<b>1,892,740</b>	<b>2,580,812</b>	<b>1,824,101</b>	<b>8,105,712</b>	

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## CAPEX and Depreciation & Amortization excluding Financial Services / Consolidated R&D

(Bln Yen)



\* Percentages are changes from FY15

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## Unit Sales for Key Electronics Products (Quarterly Results)

(Mln units)

	FY14					FY15				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
<b>Consumer Electronics</b>										
Smartphones	9.4	9.9	11.9	7.9	39.1	7.2	6.7	7.6	3.4	24.9
Digital Cameras	2.2	2.2	2.6	1.5	8.5	1.7	1.6	1.8	1.0	6.1
LCD TVs	3.6	3.6	4.7	2.7	14.6	2.6	3.0	4.2	2.4	12.2
<b>Game</b>										
PS4	2.7	3.3	6.4	2.4	14.8	3.0	4.0	8.4	2.3	17.7

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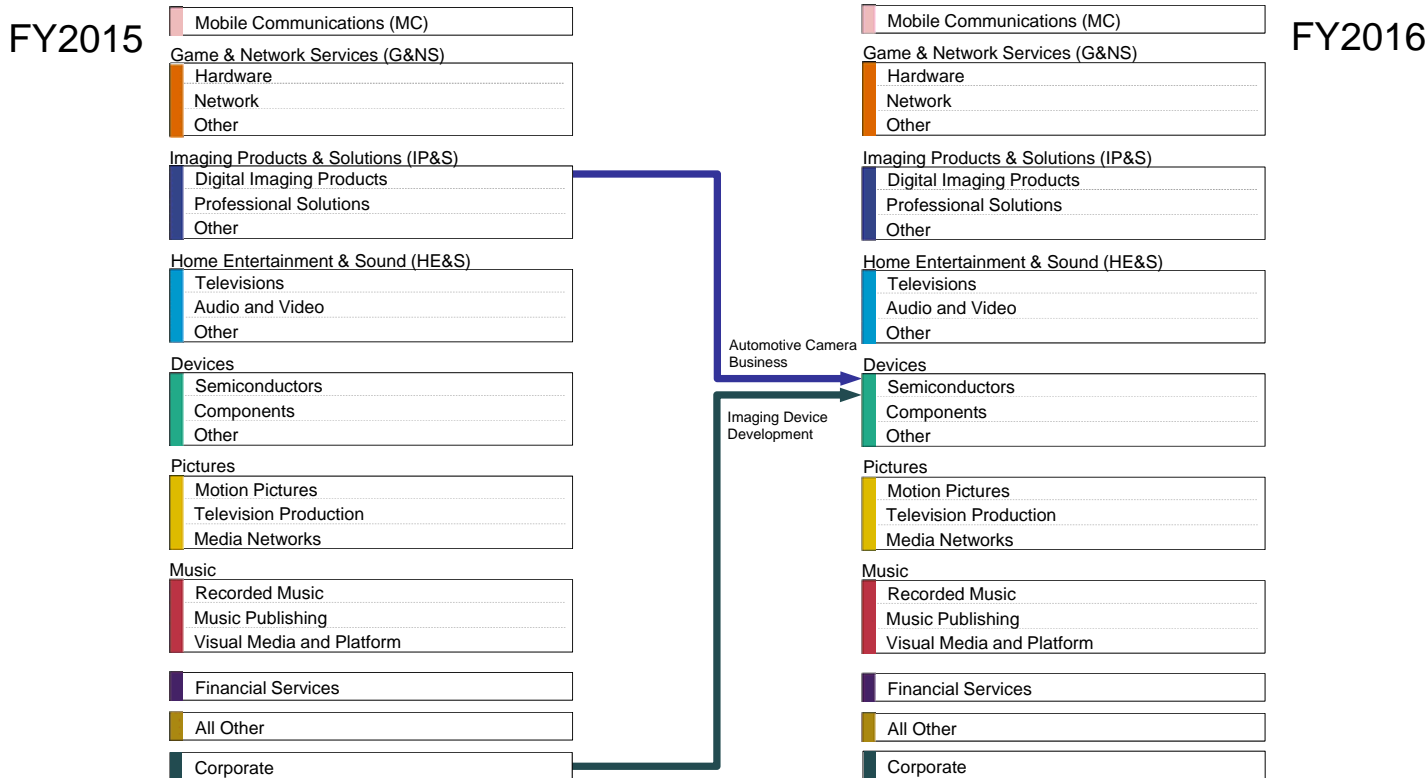
## Unit Sales for Key Electronics Products (Annual Forecast)

(Mln units)

	FY14	FY15	FY16 FCT
<b>Consumer Electronics</b>			
Smartphones	39.1	24.9	20
Digital Cameras	8.5	6.1	-
LCD TVs	14.6	12.2	12
<b>Game</b>			
PS4	14.8	17.7	20

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## Segment and Category Realignment



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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 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) 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 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.

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