SONY

Q1 FY2024 Consolidated Financial Results

(Three months ended June 30, 2024)

August 7, 2024

Sony Group Corporation

Please be aware that, in the following remarks, statements made 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. These statements are based on management's assumptions in light of the information currently available to it, and, therefore, you should not place undue reliance on them.

Sony cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements.

For additional information as to risks and uncertainties, as well as other factors that could cause actual results to differ, please refer to today's press release, which can be accessed by visiting www.sony.com/en/SonyInfo/IR.

- **Q1 FY2024 Consolidated Financial Results and FY2024 Consolidated Results Forecast**
- **Segments Outlook**

- First, I will briefly discuss the recent changes in the financial market, especially the significant changes in foreign exchange rates and in the stock market.
- Our biggest concern is whether these changes will lead to an economic downturn, particularly in the U.S., and we plan to watch this situation carefully.
- As a result of this situation, today's foreign exchange rates are similar to the assumptions in the results forecast we are presenting today.
- Regardless, we intend to closely monitor future market trends and carry out our business operations with the utmost care.

Q1 FY2024 Consolidated Results

(Bln Yen)

	Sony without Financial Services			Consolidated		
	Q1 FY23	**Q1 FY24**	Change	Q1 FY23	**Q1 FY24**	Change
Sales*1	2,285.8	**2,567.4**	+281.6 (+12%)	2,963.7	**3,011.6**	+48.0 (+2%)
Operating income	198.5	**249.1**	+50.6 (+25%)	253.0	**279.1**	+26.1 (+10%)
Operating income margin	8.7%	**9.7%**	+1.0 pts	8.5%	**9.3%**	+0.7 pts
Income before income taxes	271.6	**286.9**	+15.3 (+6%)	276.0	**316.9**	+40.8 (+15%)
Net income attributable to Sony Group Corporation's stockholders	229.1	**210.0**	-19.1 (-8%)	217.5	**231.6**	+14.1 (+6%)
Net income attributable to Sony Group Corporation's stockholders per share of common stock (diluted)	185.02 yen	**171.76 yen**	-13.26 yen	175.67 yen	**189.43 yen**	+13.76 yen
Adjusted OIBDA*2	334.7	**417.9**	+83.2 (+25%)	396.1	**454.7**	+58.6 (+15%)
Adjusted EBITDA*2	394.8	**424.4**	+29.6 (+8%)	406.2	**461.3**	+55.0 (+14%)
Average Rate						
1 US dollar	137.0 yen	**155.6 yen**				
1 Euro	149.2 yen	**167.6 yen**				

Adjusted OIBDA, Adjusted EBITDA and figures for Sony without Financial Services are not measures in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). However, Sony believes that these disclosures may be useful information to investors.

For further details about Adjusted OIBDA and Adjusted EBITDA including their formulas and reconciliations, see pages 19-23 (applies to all following pages).

*1 "Sales" is used to mean "sales and financial services revenue" in accordance with IFRS Accounting Standards (applies to all following pages).

*2 The differences between Adjusted EBITDA and Adjusted OIBDA on a consolidated basis represent financial income and financial expenses (excluding interest expenses, net, and gains on revaluation of equity instruments, net). Adjusted EBITDA by segment is not calculated and disclosed because Sony does not include financial income and financial expenses in its performance evaluations by segment, mainly due to the fact that Sony manages its foreign exchange exposure centrally and globally, except for the Financial Services segment (applies to all following pages).

- Consolidated sales excluding the Financial Services segment for the quarter increased a significant 12% compared to the same quarter of the previous fiscal year ("year-on-year"), to 2 trillion 567.4 billion yen and operating income increased a significant 50.6 billion yen to 249.1 billion yen.

- Consolidated sales increased 2% year-on-year to 3 trillion 11.6 billion yen, operating income increased 26.1 billion yen to 279.1 billion yen, and net income increased 14.1 billion yen to 231.6 billion yen.

Q1 FY2024 Results by Segment

(Bln Yen)

		Q1 FY23	Q1 FY24	Change	FX Impact
Game & Network Services (G&NS)	Sales	771.9	**864.9**	+93.0	+85.5
	Operating income	49.2	**65.2**	+16.0	+1.4
Music	Sales	358.2	**442.0**	+83.8	+43.0
	Operating income	73.4	**85.9**	+12.5	
Pictures	Sales	320.4	**337.3**	+17.0	+40.2
	Operating income	16.0	**11.3**	-4.7	
Entertainment, Technology & Services (ET&S)	Sales	571.8	**600.9**	+29.1	+46.6
	Operating income	55.6	**64.1**	+8.4	+10.1
Imaging & Sensing Solutions (I&SS)	Sales	292.7	**353.5**	+60.7	+36.9
	Operating income	12.7	**36.6**	+23.9	+21.4
All other	Sales	19.5	**21.1**	+1.6	
	Operating income	2.5	**1.3**	-1.2	
Corporate and elimination	Sales	-52.3	**-56.7**	-4.5	
	Operating income	-10.8	**-15.3**	-4.5	
Sony without Financial Services*	Sales	2,285.8	**2,567.4**	+281.6	
	Operating income	198.5	**249.1**	+50.6	
Financial Services*	Revenue	681.4	**448.6**	-232.8	
	Operating income	54.5	**30.0**	-24.5	
Consolidated total*	Sales	2,963.7	**3,011.6**	+48.0	
	Operating income	253.0	**279.1**	+26.1	

Sales in each business segment represents sales and revenue recorded before intersegment transactions are eliminated (applies to all following pages). Operating income in each business segment represents operating income recorded before intersegment transactions are eliminated and excludes unallocated corporate expenses (applies to all following pages).

Figures for Sony without Financial Services are not measures in accordance with IFRS Accounting Standards. However, Sony believes that these disclosures may be useful information to investors.

* Transactions between the Financial Services segment and Sony without the Financial Services segment are included in those respective figures but are eliminated in the consolidated figures. Because such eliminations are included in Corporate and elimination in full in the above chart, the figures for Sony without the Financial Services segment differ from the sum of the figures for all segments excluding the Financial Services segment (applies to all following pages).

- The results by segment for this quarter are shown on this slide.

FY2024 Consolidated Results Forecast

(Bln Yen)

	Sony without Financial Services				Consolidated			
	FY23	FY24 FCT			FY23	FY24 FCT		
		May	**August**	Change		May	**August**	Change
Sales	11,265.0	11,400	**11,700**	+300 (+3%)	13,020.8	12,310	**12,610**	+300 (+2%)
Operating income	1,035.3	1,130	**1,165**	+35 (+3%)	1,208.8	1,275	**1,310**	+35 (+3%)
Operating income margin	9.2%	9.9%	**9.9%**	+0.0 pts	9.3%	10.4%	**10.4%**	+0.0 pts
Income before income taxes	1,145.1	1,110	**1,190**	+80 (+7%)	1,268.7	1,255	**1,335**	+80 (+6%)
Net income attributable to Sony Group Corporation's stockholders	896.6	820	**875**	+55 (+7%)	970.6	925	**980**	+55 (+6%)
Adjusted OIBDA	1,644.6	1,770	**1,820**	+50 (+3%)	1,826.1	1,940	**1,990**	+50 (+3%)
Adjusted EBITDA	1,686.5	1,760	**1,820**	+60 (+3%)	1,818.0	1,930	**1,990**	+60 (+3%)
Operating Cash Flow	1,177.8	1,400	**1,400**	–				

Foreign exchange rate	FY23 (Actual·Average)	FY24 (Assumption) Q1-Q4	FY24 (Assumption) **Q2-Q4**
1 US dollar	144.4 yen	Approx. 145 yen	**Approx. 148 yen**
1 Euro	156.6 yen	Approx. 157 yen	**Approx. 160 yen**

Dividend per Share (Planned)

Interim	Year-end*		Total
50 yen	After stock split	10 yen	–
	Before stock split	50 yen	100 yen

Adjusted OIBDA, Adjusted EBITDA and figures for Sony without Financial Services are not measures in accordance with IFRS Accounting Standards. However, Sony believes that these disclosures may be useful information to investors.

* Sony decided at the Board of Directors meeting held on May 14, 2024 to conduct a stock split, scheduled to be effective on October 1, 2024 with a record date of September 30, 2024. Each share of Sony's common stock will be split into five (5) shares per share. The above year-end dividends per share (planned) represent the amounts after and before the stock split, respectively. The total annual dividend per share (planned) after the stock split is not presented because the total of the interim dividend and the year-end dividend cannot be calculated due to effect of the stock split.

- Next, I will explain our consolidated results forecast for FY24.
- The consolidated sales forecast excluding Financial Services has been upwardly revised by 3% to 11 trillion 700 billion yen, the operating income forecast has been upwardly revised by 35 billion yen to 1 trillion 165 billion yen, and the net income forecast has been upwardly revised by 55 billion yen to 875 billion yen.
- Our operating cash flow forecast remains unchanged from the previous forecast at 1 trillion 400 billion yen.
- Consolidated sales are expected to increase 2% from the previous forecast to 12 trillion 610 billion yen, operating income is expected to increase 35 billion yen to 1 trillion 310 billion yen, and net income is expected to increase 55 billion yen to 980 billion yen. The net income forecast is 9.4 billion yen higher than that recorded in the previous fiscal year.
- Operating income on both a consolidated basis excluding Financial Services and a consolidated basis are expected to be record highs.

FY2024 Results Forecast by Segment

(Bln Yen)

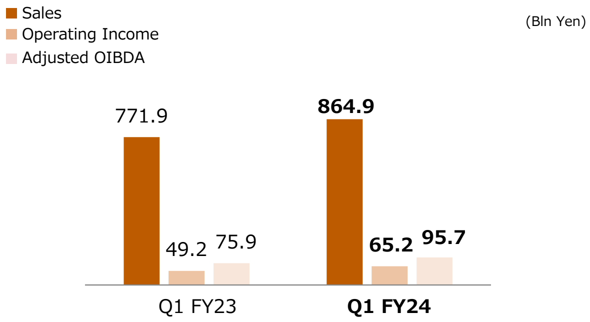
Segment		FY23	FY24 May FCT	FY24 August FCT	Change from May FCT
Game & Network Services (G&NS)	Sales	4,267.7	4,200	**4,320**	+120
	Operating income	290.2	310	**320**	+10
Music	Sales	1,619.0	1,690	**1,740**	+50
	Operating income	301.7	315	**330**	+15
Pictures	Sales	1,493.1	1,480	**1,520**	+40
	Operating income	117.7	120	**125**	+5
Entertainment, Technology & Services (ET&S)	Sales	2,453.7	2,370	**2,420**	+50
	Operating income	187.4	190	**190**	-
Imaging & Sensing Solutions (I&SS)	Sales	1,602.7	1,840	**1,850**	+10
	Operating income	193.5	270	**275**	+5
All Other, Corporate and elimination	Operating income	-55.2	-75	**-75**	-
Sony without Financial Services	Sales	11,265.0	11,400	**11,700**	+300
	Operating income	1,035.3	1,130	**1,165**	+35
Financial Services	Revenue	1,770.0	910	**910**	-
	Operating income	173.6	145	**145**	-
Consolidated total	Sales	13,020.8	12,310	**12,610**	+300
	Operating income	1,208.8	1,275	**1,310**	+35

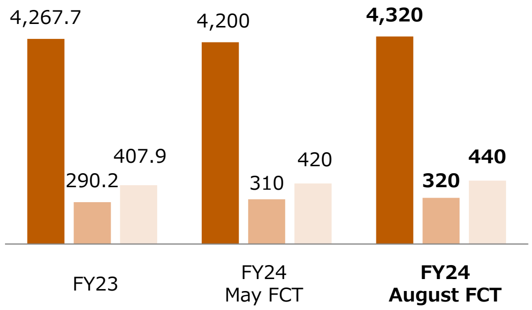
Figures for Sony without Financial Services are not measures in accordance with IFRS Accounting Standards. However, Sony believes that these disclosures may be useful information to investors.

- The full-year forecast by segment is shown here.
- Now I will move on to an explanation of the overview of each business.

Game & Network Services Segment (G&NS Segment)

Sales, Operating Income and Adjusted OIBDA





Q1 FY2024 (year-on-year)

- Sales: 93.0 bln yen (12%) significant increase (FX Impact: +85.5 bln yen)
  - ·(+) Impact of foreign exchange rates
  - ·(+) Increase in sales of first-party game software titles
  - ·(+) Increase in sales from network services, mainly PlayStation® Plus
  - ·(−) Decrease in sales of hardware due to a decrease in unit sales
- OI: 16.0 bln yen (33%) significant increase (FX Impact: +1.4 bln yen) / Adjusted OIBDA: 19.8 bln yen (26%) significant increase
  - ·(+) Impact of increase in sales of first-party game software titles
  - ·(+) Impact of increase in sales from network services
  - ·(+) Impact of increase in unit sales of PlayStation®5 peripherals
  - ·(−) Increase in costs

FY2024 Forecast (change from May forecast)

- Sales: 120 bln yen (3%) upward revision
  - ·(+) Impact of foreign exchange rates
- OI: 10 bln yen (3%) upward revision / Adjusted OIBDA: 20 bln yen (5%) upward revision
  - ·(+) Improvement in the profitability of network services, mainly PlayStation® Plus

- First is the G&NS segment.
- Although hardware sales decreased, FY24 Q1 sales increased a significant 12% year-on-year to 864.9 billion yen primarily due to the impact of foreign exchange rates and increased first-party software sales.
- Operating income increased a significant 16.0 billion yen year-on-year to 65.2 billion yen, mainly due to the benefit of increased revenue from first-party software and network services, despite increased costs including expenses resulting from the restructuring we undertook on a global basis.
- For FY24, we are now forecasting sales to be 4 trillion 320 billion yen, an increase of 120 billion yen from the previous forecast, and operating income to be 320 billion yen, an increase of 10 billion yen.

Game & Network Services

- Despite not releasing any tentpole titles, user engagement during the quarter remained high, driven primarily by an expanding PlayStation 5 ("PS5") installed base and contributions from solid franchise software titles.

- The number of monthly active users of PlayStation ("PS") was 116 million accounts, the highest number ever recorded for June, up 7% compared with the same month of the previous fiscal year, and total play time also increased 8%.

- In terms of our software titles, *Helldivers 2* is performing better than our May forecast, and the PC version of *Ghost of Tsushima* and the *Destiny 2* expansion content *The Final Shape* are also contributing to earnings.

- This month, we plan to launch our live service game *Concord*, followed in September by *Astro Bot* and the PC version of our smash hit title *God of War Ragnarök.*

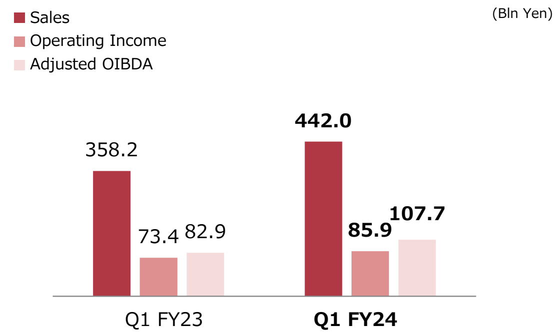
- As for network services, U.S. dollar-based sales increased 13% year-on-year driven mainly by a steady shift to premium services and an increase in ARPU (average revenue per user) resulting from price revisions in PS Plus.

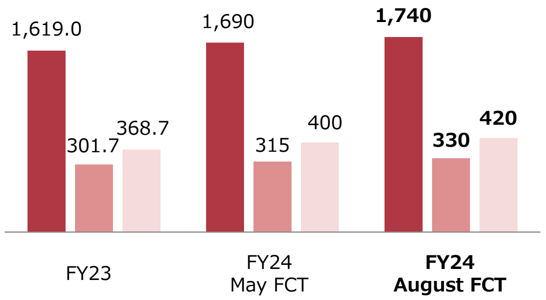
- Under the new management structure, the Platform Business Group is steadily maintaining and expanding the number of active users and user engagement as priority initiatives and intends to work to further strengthen the PS platform and establish a stable earnings base.

- Additionally, the Studio Business Group is strengthening its development schedule management and optimizing development projects in order to consistently and continuously release hit titles.

Music Segment

Sales, Operating Income and Adjusted OIBDA





Q1 FY2024 (year-on-year)

- Sales: 83.8 bln yen (23%) significant increase (FX Impact: +43.0 bln yen)
  - ・(+) Impact of foreign exchange rates
  - ・(+) Higher revenues from merchandising and live events in Recorded Music
  - ・(+) Higher revenues from streaming services in Recorded Music and Music Publishing
- OI: 12.5 bln yen (17%) increase / Adjusted OIBDA: 24.7 bln yen (30%) significant increase
  - ・(+) Impact of increase in Recorded Music and Music Publishing sales
  - ・(+) Positive impact of foreign exchange rates
  - ・(−) Absence of remeasurement gain received in Q1 FY23 resulting from the consolidation of a company previously accounted for using the equity method (6.0 bln yen)*
  - ・(−) Increase in selling, general and administrative expenses

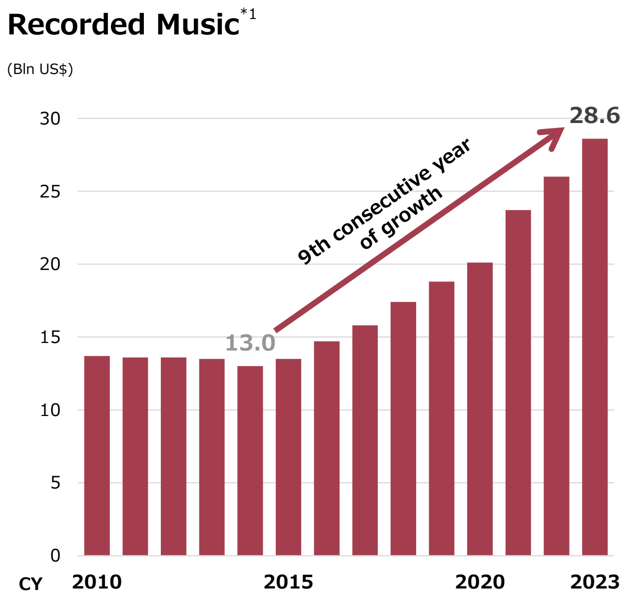
FY2024 Forecast (change from May forecast)

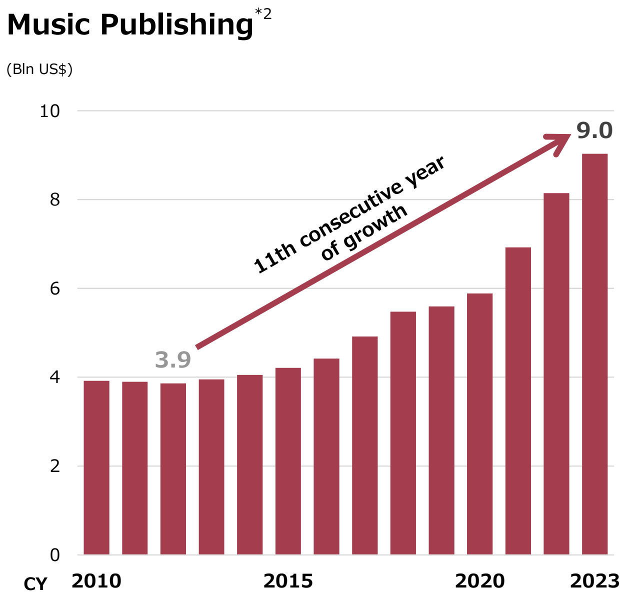
- Sales: 50 bln yen (3%) upward revision
  - ・(+) Impact of foreign exchange rates
- OI: 15 bln yen (5%) upward revision / Adjusted OIBDA: 20 bln yen (5%) upward revision
  - ・(+) Positive impact of foreign exchange rates
  - ・(+) Remeasurement gain on existing equity resulting from the consolidation of eplus inc.

* Factor for change in operating income only, not included in factors for change in Adjusted OIBDA.

- Next, the Music segment.
- FY24 Q1 sales increased a significant 23% year-on-year to 442.0 billion yen, primarily due to the impact of foreign exchange rates as well as increased live box office revenues and streaming revenue in Recorded Music.
- Operating income increased 12.5 billion yen year-on-year to 85.9 billion yen, mainly due to the benefit of the increased sales and the favorable impact of foreign exchange rates. A 6.0 billion yen remeasurement gain resulting from the consolidation of a company previously accounted for using the equity method was recorded during Q1 of the previous fiscal year.
- On a U.S. dollar basis, FY24 Q1 streaming revenue in Recorded Music increased 5% and Music Publishing increased 20% year-on-year, 19% and 36%, respectively, on a yen basis.
- For FY24, we expect sales to increase 50 billion yen from the previous forecast to 1 trillion 740 billion yen, and operating income to increase 15 billion yen to 330 billion yen.

Global Music Market





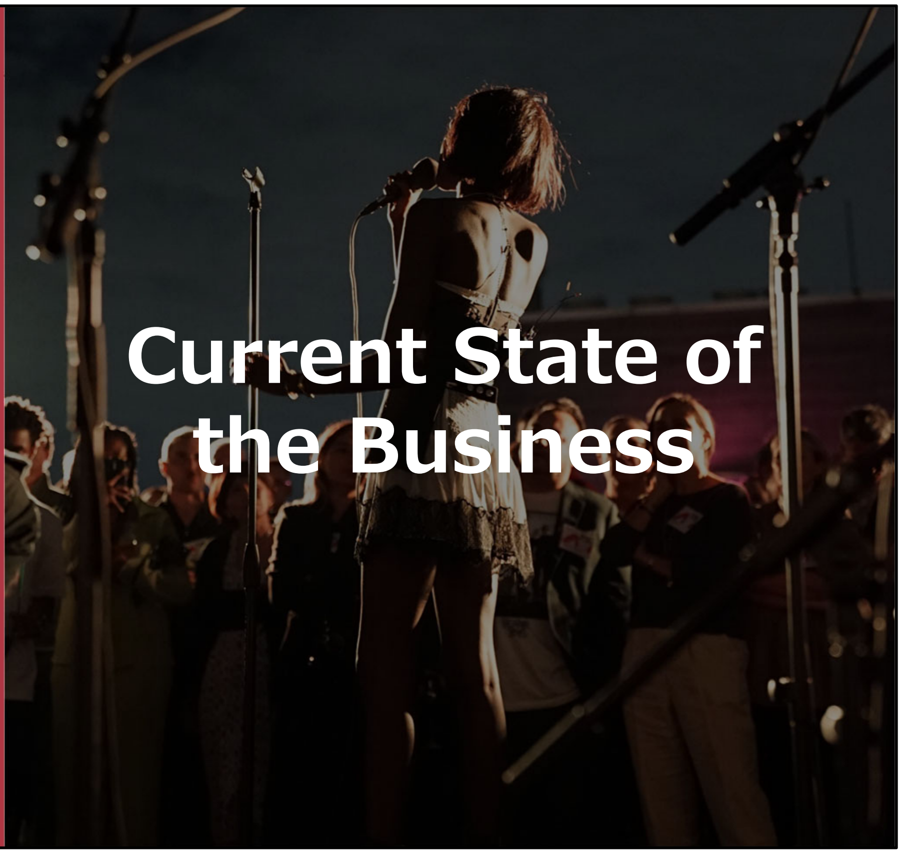
*1 Source: IFPI
*2 Source: Music & Copyright

- Global market growth in calendar year 2023 was 10% higher in Recorded Music and 11% higher in Music Publishing, both compared to the previous year.

- In addition to an increase in the number of paying subscribers for streaming services and market expansion in emerging markets, recent price revisions by music distributors have led to market growth for the ninth consecutive year in Recorded Music and the eleventh consecutive year in Music Publishing.

- In the medium term, the market is expected to continue to grow at a mid- to high-single-digit average annual growth rate, driven by increased ARPU and further growth in emerging markets.

Music Segment



Current State of the Business

- From early on, Sony Music Entertainment has been strategically focusing on capturing the expansion of the indies market and building a robust ecosystem, as seen from the 100% consolidation of The Orchard in 2015 and the acquisition of AWAL in 2021.

- Through The Orchard's approximately 50 locations around the world, we are expanding our business in rapidly growing emerging markets by providing a wide range of services such as digital music distribution and data analysis using the latest technology.

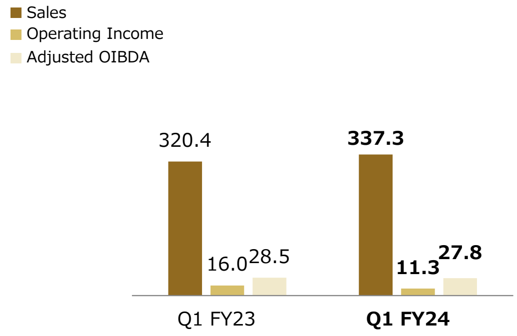
- By actively pursuing strategic investments in emerging markets, including the Brazilian label Som Livre and Rimas Entertainment, the label of Latin music superstar Bad Bunny, to which The Orchard has been providing services, we have established a strong presence in Latin America, India, Africa and other markets around the world.

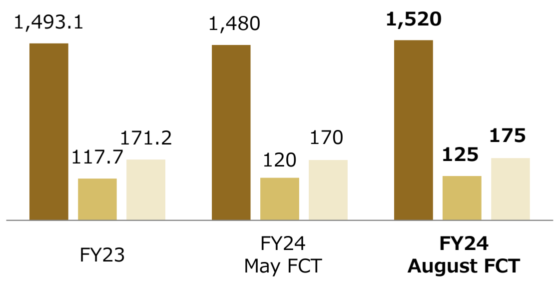
- As can be seen with the success of Sony Music Entertainment Japan (SMEJ)'s artist YOASOBI in overseas markets, we have been able to create hits that transcend national and regional borders through The Orchard.

Pictures Segment

Sales, Operating Income and Adjusted OIBDA

(Bln Yen)





Q1 FY2024 (year-on-year)

The following analysis is on a U.S. dollar basis

- Sales: 17.0 bln yen (5%) increase (U.S. dollar basis: -166 mil USD / -7%)
  - ·(−) Decrease in series deliveries in Television Productions
  - ·(−) Decrease in theatrical releases
  - ·(+) Higher revenues for Crunchyroll mainly due to paid subscriber growth
- OI: 4.7 bln yen (29%) decrease (U.S. dollar basis: -42 mil USD / -36%) / Adjusted OIBDA: 0.7 bln yen (2%) decrease (U.S. dollar basis: -27 mil USD / -13%)
  - ·(−) Impact of decrease in sales

FY2024 Forecast (change from May forecast)

- Sales: 40 bln yen (3%) upward revision
  - ·(+) Impact of foreign exchange rates
- OI: 5 bln yen (4%) upward revision / Adjusted OIBDA: 5 bln yen (3%) upward revision
  - ·(+) Positive impact of foreign exchange rates

- Next is the Pictures segment.
- FY24 Q1 sales increased 5% year-on-year to 337.3 billion yen due to the impact of foreign exchange rates, despite a decrease in U.S. dollar-based sales primarily resulting from a decrease in the number of television programs delivered and a decrease in the number of theatrical releases.
- Operating income decreased 4.7 billion yen year-on-year to 11.3 billion yen primarily due to the impact of the decrease in U.S. dollar-based sales.
- For FY24, we forecast sales to be 1 trillion 520 billion yen, an increase of 40 billion yen from the previous forecast, and operating income to be 125 billion yen, an increase of 5 billion yen.

Pictures

- In the first half of calendar year 2024, theatrical box office revenue in the U.S. remained at a level approximately 20% lower than the previous year primarily due to the impact of the strikes. However, from June onwards, the release of tentpole films from major studios, including ours, has increased, and we expect box office revenue to gradually improve.

- During the quarter, the sequel to our popular franchise *Bad Boys: Ride or Die* and *The Garfield Movie*, which we distributed worldwide, have both been hits.

- *It Ends with Us*, a film adaptation of a best-selling novel, is scheduled to be released on August 9. The trailer set a record of approximately 130 million views in the first 24 hours following its release, and we are hopeful that it will be an indicator of the success of our efforts to discover excellent original works and turn them into films.

Exceeded
15 Million
Paid Subscribers*

Expanded Distribution Area through Amazon Prime channel

Planned Geographical Expansion of *Crunchyroll Store* e-commerce Site

* As of July 2024

- As for Crunchyroll, the number of paying subscribers exceeded 15 million in July.

- In order to capitalize on the rapid expansion of the anime market, we have signed a global distribution agreement with Amazon Prime Channels, and, after launching in the U.S. and the U.K. in October last year, we began distribution via Amazon in Brazil, France, India and other countries since April this year.

- In addition, to further expand opportunities for engagement with anime fans, we have announced our plan to expand our e-commerce site, *Crunchyroll Store*, which was previously only available in North America and Australia, to 34 European countries.

ALAMO
DRAFTHOUSE CINEMA

Operates 41 Premium Dine-in Cinema Theaters across the U.S.

- On June 12, Sony Pictures Entertainment ("SPE") completed its acquisition of Alamo Drafthouse Cinema ("Alamo").

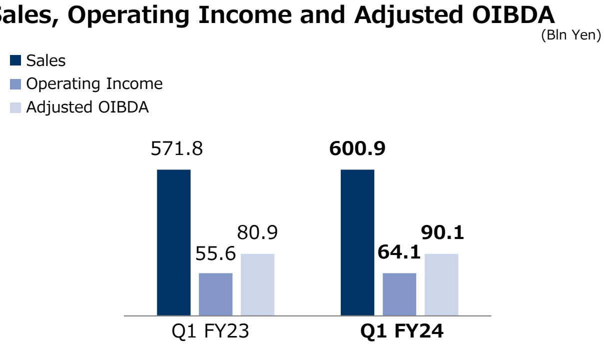
- Alamo operates 41 theaters across the U.S., where customers can enjoy a movie while dining. The company is a leader in the dine-in cinema industry and ranks seventh in North America in terms of box office share.

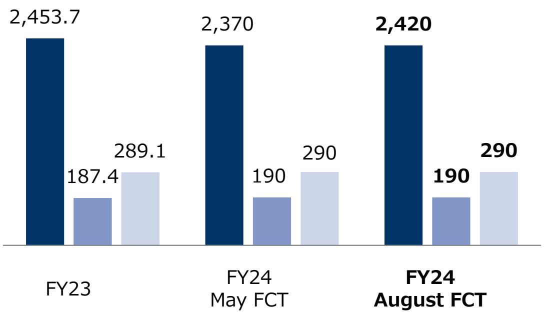
- It has approximately 4 million enthusiastic loyalty members, over-indexing on younger demographics. By building upon Alamo's connections with this fan community, we look forward to creating synergies with our content IP, including not only movies but also games, music, and anime. We also look forward to opportunities for Alamo and Crunchyroll to collaborate.

- With this acquisition, SPE established a new business division, "Sony Pictures Experiences," and aims to further strengthen its efforts in the experiential live entertainment business.

Entertainment, Technology & Services Segment (ET&S Segment)

Sales, Operating Income and Adjusted OIBDA





Q1 FY2024 (year-on-year)

- Sales: 29.1 bln yen (5%) increase (FX Impact: +46.6 bln yen)
  - ·(+) Impact of foreign exchange rates
  - ·(−) Decrease in sales of televisions due to a decrease in unit sales
- OI: 8.4 bln yen (15%) increase (FX Impact: +10.1 bln yen) / Adjusted OIBDA: 9.3 bln yen (12%) increase
  - ·(+) Positive impact of foreign exchange rates

FY2024 Forecast (change from May forecast)

- Sales: 50 bln yen (2%) upward revision
  - ·(+) Impact of foreign exchange rates
- OI / Adjusted OIBDA: Remain unchanged from May forecast
  - ·(+) Positive impact of foreign exchange rates
  - ·(−) Revision to assumptions regarding risk of the market environment deteriorating, logistics costs, and others

- Next is the ET&S segment.
- Although television sales decreased, FY24 Q1 sales increased 5% year-on-year to 600.9 billion yen, mainly due to the impact of foreign exchange rates.
- Operating income increased 8.4 billion yen year-on-year to 64.1 billion yen, primarily due to the favorable impact of foreign exchange rates.
- For FY24, we forecast sales to be 2 trillion 420 billion yen, an increase of 50 billion yen from the previous forecast, and operating income to be 190 billion yen, unchanged from the previous forecast.
- With regard to operating income, despite the favorable impact of foreign exchange rates, we are maintaining our previous forecast by incorporating the risk of the worsening market environment and the impact of rising logistics costs.

- Looking at the market environment during the quarter, our key product categories in Japan, Europe and North America trended according to our expectations, while in China the television market contracted significantly, and the digital camera market, including solutions, grew significantly.

- As for the television business, we were able to achieve highly resilient operations during the quarter by focusing on inventory control and cost-cutting initiatives. We will aim to continue to do so, while also focusing on high value-added products such as the new BRAVIA 9 series, which we believe will further enrich the cinema viewing experience at home.

- As for the imaging business which includes digital cameras, we intend to pay close attention to demand trends in China, where the market is growing rapidly, and aim to further expand profitability by further diversifying our creator audience primarily through the launch of the new VLOGCAM product ZV-E10 II.

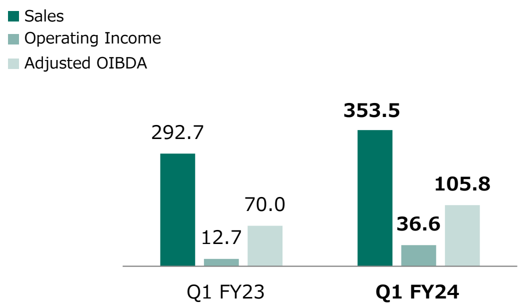
- In addition, by emphasizing inventory control across the segment, we were able to further reduce inventory at the end of the quarter compared to the same quarter of the previous fiscal year, which is also contributing greatly to the stabilization of profitability in this business segment.

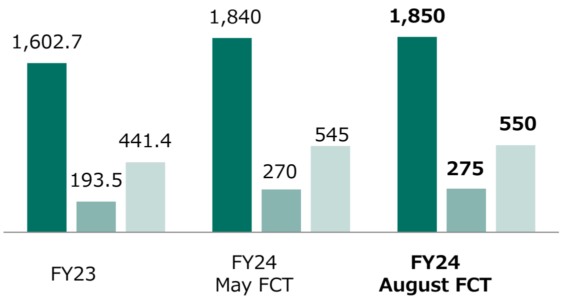
- In preparation for possible future changes in the business environment, we aim to focus on managing inventory and accounts receivable based on conservative demand forecasts and thoroughly control cash flows.

Imaging & Sensing Solutions Segment (I&SS Segment)

Sales, Operating Income and Adjusted OIBDA

(Bln Yen)





Q1 FY2024 (year-on-year)

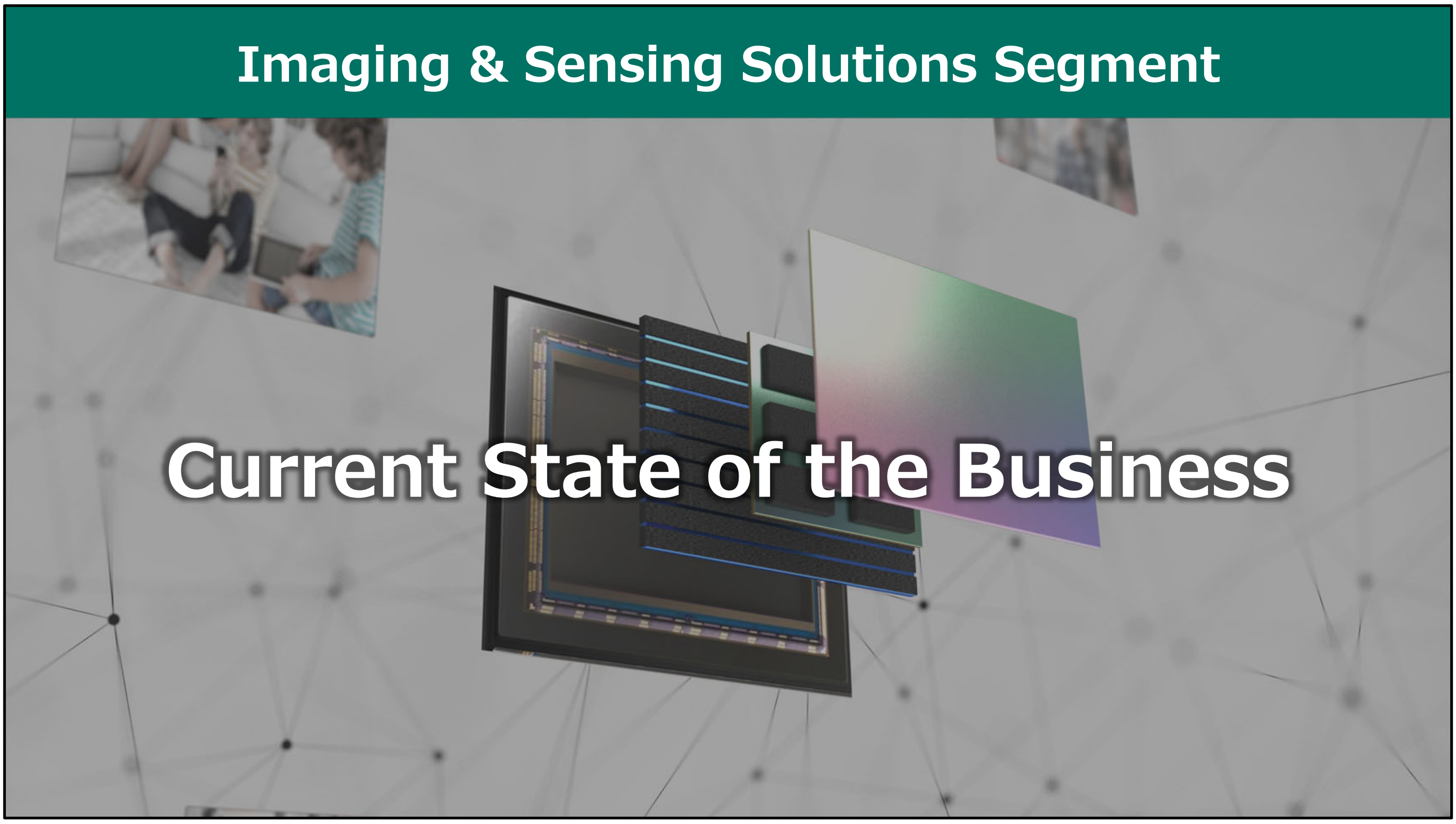
- Sales: 60.7 bln yen (21%) significant increase (FX Impact: +36.9 bln yen)
  - ·(+) Impact of foreign exchange rates
  - ·(+) Increase in sales of image sensors for mobile products
    - ·(+) Increase in unit sales
    - ·(+) Improvement in product mix
  - ·(+) Increase in sales of image sensors for digital cameras
- OI: 23.9 bln yen (188%) significant increase (FX Impact: +21.4 bln yen) / Adjusted OIBDA: 35.8 bln yen (51%) significant increase
  - ·(+) Positive impact of foreign exchange rates
  - ·(+) Impact of increase in sales
  - ·(−) Increase in depreciation and amortization expenses*
  - ·(−) Increase in manufacturing costs

FY2024 Forecast (change from May forecast)

- Sales: 10 bln yen (1%) upward revision
  - ·(+) Impact of foreign exchange rates
  - ·(−) Decrease in sales of display devices
- OI: 5 bln yen (2%) upward revision / Adjusted OIBDA: 5 bln yen (1%) upward revision
  - ·(+) Positive impact of foreign exchange rates
  - ·(−) Impact of decrease in sales of display devices

* Factor for change in operating income only, not included in factors for change in Adjusted OIBDA.

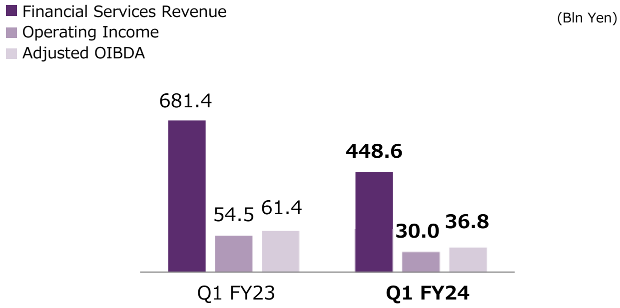
- Next is the I&SS segment.
- FY24 Q1 sales increased a significant 21% year-on-year to 353.5 billion yen, mainly due to the impact of foreign exchange rates and increased sales of image sensors for mobile devices.
- Operating income increased a significant 23.9 billion yen year-on-year to 36.6 billion yen, mainly due to the favorable impact of foreign exchange rates and the increased sales.
- For FY24, we expect sales to increase 10 billion yen from the previous forecast to 1 trillion yen 850 billion yen.
- We expect operating income to increase 5 billion yen from the previous forecast to 275 billion yen as the favorable impact of foreign exchange rates is partially offset by the impact of a significant decrease in demand for Micro OLEDs used in AR/VR.

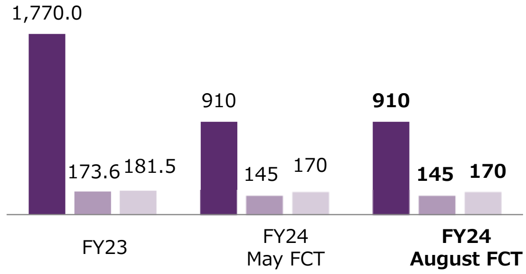


- The global smartphone product market during the quarter continued to show a gradual but steady recovery like in the previous quarter.
- In addition, the trend toward polarization of price ranges in the product market, particularly in China, continues. This has accelerated the expansion of the high-end smartphone market, which has led to further progress of the expansion of the size of the sensors we ship.
- As such, the market environment is progressing generally in-line with our previous forecast.
- From the second quarter onwards, we expect the trend towards larger sensors for ultra-wide-angle and telephoto cameras to continue. We believe that this trend, together with improved sensor performance to improve camera video capabilities, will be medium-term growth drivers for the mobile sensor market.
- In terms of production, improvements in yields for mobile sensors are progressing as planned in May, and we aim to achieve a normal run rate during this fiscal year.
- Additionally, we will aim to make maximum use of existing production capacity and be selective in making new investments. Together with other development and operational efficiency measures, we intend to work to improve profitability, a key theme of this mid-range plan.

Financial Services Segment

Financial Services Revenue,
Operating Income and Adjusted OIBDA





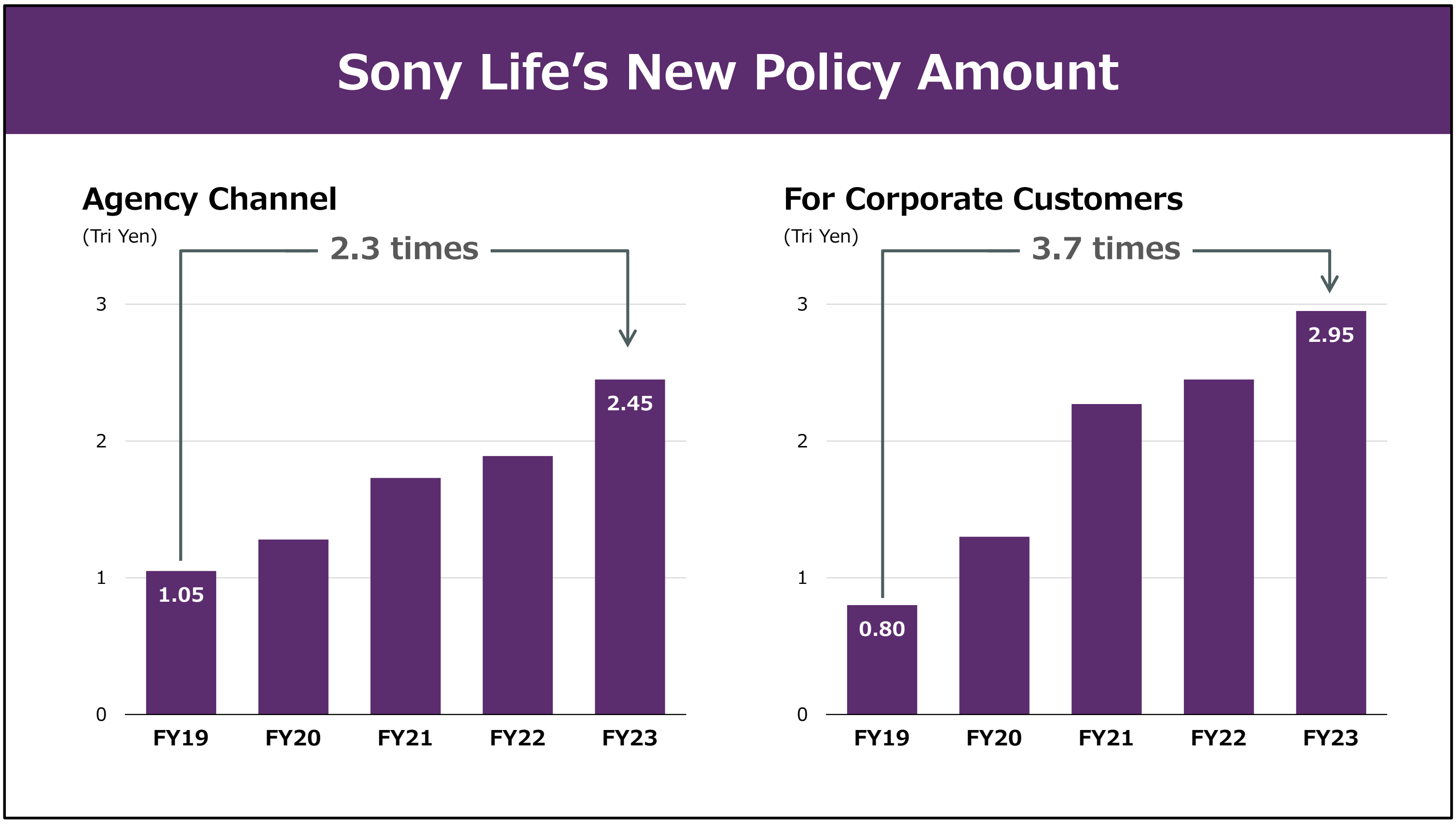
Q1 FY2024 (year-on-year)

- Revenue: 232.8 bln yen (34%) significant decrease
  - ·(−) Significant decrease in revenue at Sony Life (237.4 bln yen decrease, revenue: 384.9 bln yen)
    - ·(−) Decrease in net gains on investments related to market fluctuations in the separate accounts
- OI: 24.5 bln yen (45%) significant decrease / Adjusted OIBDA: 24.6 bln yen (40%) significant decrease
  - ·(−) Significant decrease in OI at Sony Life (20.4 bln yen decrease, OI: 25.6 bln yen)
    - ·(−) Decrease in gains on the sale of bonds

FY2024 Forecast (change from May forecast)

- Revenue: Remains unchanged from May forecast
  - ·(+) Increase in net gains on investments related to market fluctuations in the separate accounts at Sony Life
  - ·(−) Uncertainties in market fluctuations
- OI / Adjusted OIBDA: Remain unchanged from May forecast

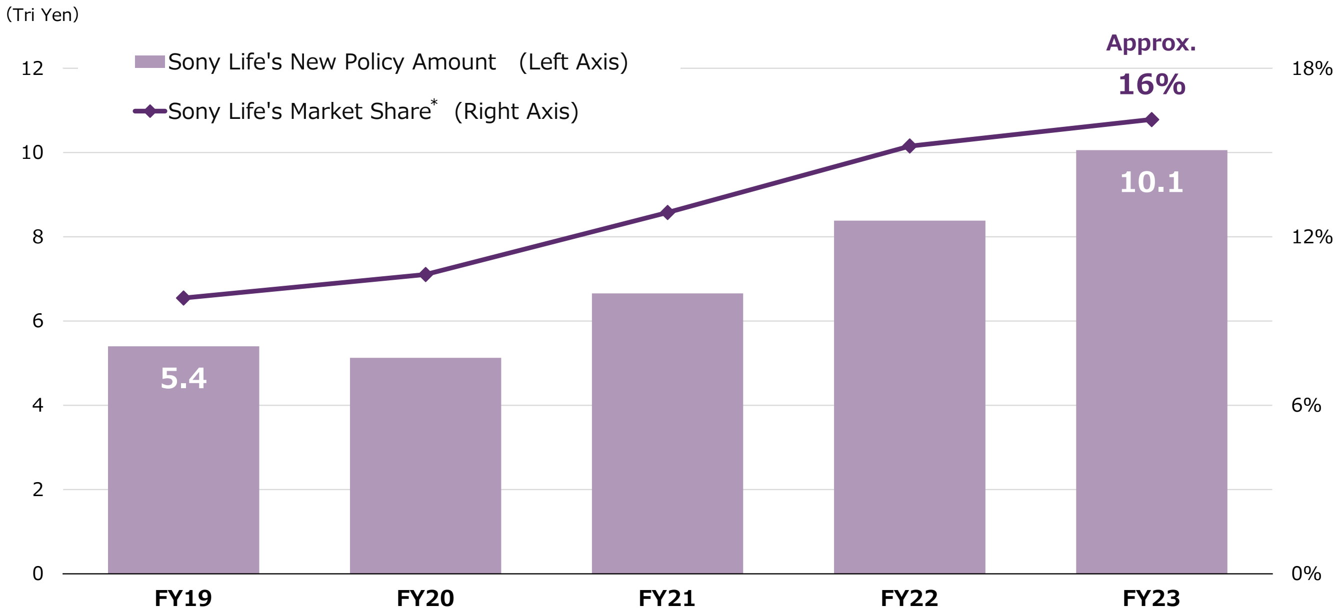
- Last is the Financial Services segment.
- FY24 Q1 financial services revenue decreased a significant 34% year-on-year to 448.6 billion yen, primarily due to the impact of market fluctuations at Sony Life.
- Operating income decreased a significant 24.5 billion yen year-on-year to 30.0 billion yen compared to the same quarter of the previous fiscal year which benefitted from the recording of a gain on the sale of bonds at Sony Life.
- Insurance service results at Sony Life, which are the baseload of profitability for the business, continued their stable trend at 41.8 billion yen.
- The FY24 forecast remains unchanged from the previous forecast, with financial services revenue of 910 billion yen and operating income of 145 billion yen.
- With regard to financial services revenue, gains from the separate accounts at Sony Life exceeded our May forecast due to the impact of market fluctuations. However, taking into account factors such as uncertainty about market fluctuations, we are maintaining our previous forecast.



- Sales of insurance products at Sony Life have grown significantly over the last five years.

- In terms of sales channels, the agency channel has grown significantly in addition to our mainstay Life Planner channel, and, in terms of customers, our business with corporate customers has grown significantly in addition to our traditional strength in individual customers. The new policy amount for the agency channel and with corporate customers in the fiscal year ended March 31, 2024 ("FY23") grew 2.3 times and 3.7 times, respectively, compared to the fiscal year ended March 31, 2020.

Sony Life’s New Policy Amount and Market Share in Japan

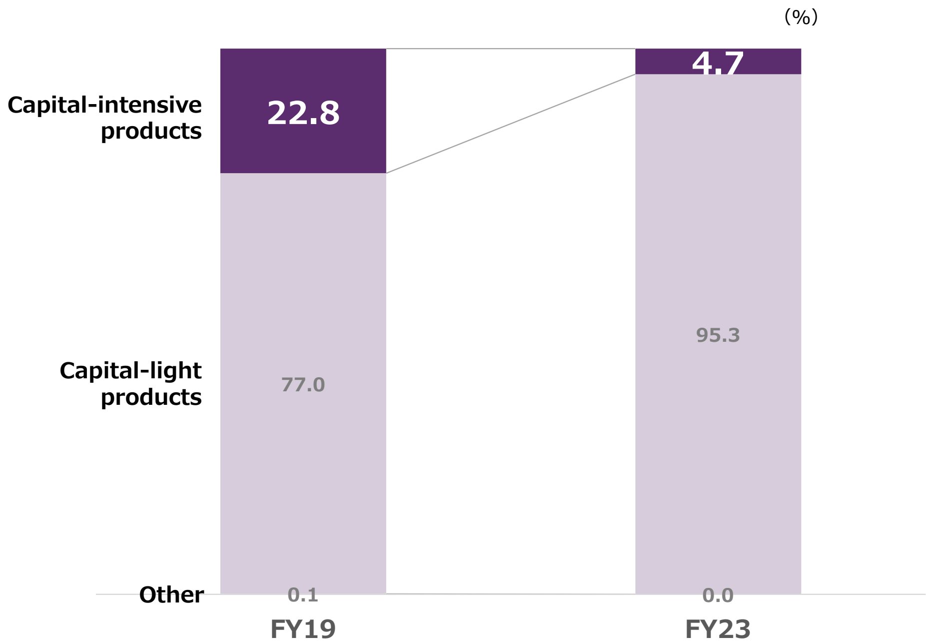


*Market share is calculated by dividing Sony Life’s new policy amount by the total new policy amount in the industry (according to Sony Life).

- Due to this growth, Sony Life’s share of new policy amount in FY23 reached 16%, continuing to rank first in the industry for two consecutive years.

- Even though Japan’s population is declining, we have continued to increase our sales of insurance products by expanding our share, and we believe that we have ample opportunities for growth going forward.

Trends in Product Mix (New Policy Amount Base)



- On the other hand, we believe that there is an issue with how easily our business performance and financial soundness are affected by market fluctuation factors, particularly interest rates.
- Regarding new policies currently being sold, we have already reduced the sales ratio of so-called high capital-load products, such as whole life insurance, and we are also preparing to further enhance hedging against market fluctuation risks.
- Regarding our efforts to address financial issues, including existing contracts, we plan to present our progress to date and future initiatives at the second quarter earnings announcement.

Expansion of Disclosure (Q1 FY24)

Disclose following KPIs in the Presentation Material

- **Adjusted Net Income (Quarterly)**
- **Adjusted ROE**
- **Group Consolidated ESR (Quarterly)**

- In the Financial Services segment, at the business segment meeting we held in May, we set adjusted net income of 120 billion yen as a key performance indicator for the fiscal year ending March 31, 2027.
- As a result, from this quarter, we have begun disclosing adjusted net income, the details of the adjustments and other metrics.

Closing

- Finally, I would like to give you a general summary.

- As I mentioned at the beginning, the current market instability has made it difficult to predict future business performance. However, we recognize that we are entering into a period in which the real value of the strategy we set out in the 5th Mid-Range Plan – to increase our resilience to changes in the environment – will be called into question.

- Sony's business portfolio is centered on the entertainment area, and we believe these businesses are relatively resilient against macroeconomic risks.

- Regardless, we intend to continue to operate our business carefully, while taking into account various risks.

- Our FY24 Q1 results represent steady progress toward the key performance indicators for the entire Group laid out in the Mid-Range Plan: a 10% or higher growth rate of operating income and a 10% or higher three-year cumulative operating income margin on a consolidated basis excluding Financial Services.

- We plan to make every effort to maintain these targets and our goal of strengthening shareholder returns, and we intend to regularly provide updates on our progress.

Notes

Notes about Adjusted OIBDA and Adjusted EBITDA

Adjusted OIBDA (Operating Income Before Depreciation and Amortization) and Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) are calculated by the following formulas:

Adjusted OIBDA = Operating income + Depreciation and amortization expense* - the profit and loss amount that Sony deems non-recurring

Adjusted EBITDA = Net income attributable to Sony Group Corporation's stockholders + Net income attributable to noncontrolling interests + Income taxes + Interest expenses, net, recorded in Financial income and Financial expense - Gain on revaluation of equity instruments, net, recorded in Financial income and Financial expense + Depreciation and amortization expense* - the profit and loss amount that Sony deems non-recurring

* In the above formulas, depreciation and amortization expense excludes amortization for film costs and broadcasting rights, as well as for internally developed game content and master recordings included in Content assets.

Adjusted OIBDA and Adjusted EBITDA are not measures in accordance with IFRS Accounting Standards. However, Sony believes that these disclosures may be useful information to investors. Adjusted OIBDA and Adjusted EBITDA should be considered in addition to, not as a substitute for, Sony's results in accordance with IFRS Accounting Standards.

Sales on a Constant Currency Basis and the Impact of Foreign Exchange Rate Fluctuations

The descriptions of sales on a constant currency basis reflect sales calculated by applying the yen's monthly average exchange rates from the same period of the previous fiscal year to local currency-denominated monthly sales in the relevant period of the current fiscal year. For Sony Music Entertainment ("SME") and Sony Music Publishing LLC ("SMP") in the Music segment, and in the Pictures segment, the constant currency amounts are calculated by applying the monthly average U.S. dollar / yen exchange rates after aggregation on a U.S. dollar basis.

Results for the Pictures segment are described on a U.S. dollar basis as the Pictures segment reflects the operations of Sony Pictures Entertainment Inc. ("SPE"), a U.S.-based operation that aggregates the results of its worldwide subsidiaries in U.S. dollars.

The impact of foreign exchange rate fluctuations on sales is calculated by applying the change in the yen's periodic weighted average exchange rate for the same period of the previous fiscal year from the relevant period of the current fiscal year to the major transactional currencies in which the sales are denominated. The impact of foreign exchange rate fluctuations on operating income (loss) is calculated by subtracting from the impact on sales the impact on cost of sales and selling, general and administrative expenses calculated by applying the same major transactional currencies calculation process to cost of sales and selling, general and administrative expenses as for the impact on sales. The I&SS segment enters into its own foreign exchange hedging transactions, and the impact of those transactions is included in the impact of foreign exchange rate fluctuations on sales and operating income (loss) for that segment.

This information is not a substitute for Sony's consolidated financial statements and condensed consolidated financial statements measured in accordance with IFRS Accounting Standards. However, Sony believes that these disclosures provide additional useful analytical information to investors regarding the operating performance of Sony.

Notes about Financial Performance of the Music, Pictures and Financial Services segments

The Music segment results include the yen-based results of Sony Music Entertainment (Japan) Inc. and the yen-translated results of SME and SMP, which aggregate the results of their worldwide subsidiaries on a U.S. dollar basis.

The Pictures segment results are the yen-translated results of SPE, which aggregates the results of its worldwide subsidiaries on a U.S. dollar basis. Management analyzes the results of SPE in U.S. dollars, so discussion of certain portions of its results is specified as being on "a U.S. dollar basis".

The Financial Services segment results include SFGI and SFGI's consolidated subsidiaries such as Sony Life Insurance Co., Ltd., Sony Assurance Inc., and Sony Bank Inc. The results discussed in the Financial Services segment differ from the results that SFGI and SFGI's consolidated subsidiaries disclose separately on a Japanese statutory basis.

Cautionary Statement

Statements made in this material 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) Sony's ability to maintain product quality and customer satisfaction with its products and services;
(ii) 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 image sensors, game and network platforms, smartphones and televisions, 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 customer preferences;
(iii) Sony's ability to implement successful hardware, software, and content integration strategies, and to develop and implement successful sales and distribution strategies in light of new technologies and distribution platforms;
(iv) the effectiveness of Sony's strategies and their execution, including but not limited to the success of Sony's acquisitions, joint ventures, investments, capital expenditures, restructurings and other strategic initiatives;
(v) changes in laws, regulations and government policies in the markets in which Sony and its third-party suppliers, service providers and business partners operate, including those related to taxation, as well as growing consumer focus on corporate social responsibility;
(vi) Sony's continued ability to identify the products, services and market trends with significant growth potential, to devote sufficient resources to research and development, to prioritize investments and capital expenditures correctly and to recoup its investments and capital expenditures, including those required for technology development and product capacity;
(vii) Sony's reliance on external business partners, including for the procurement of parts, components, software and network services for its products or services, the manufacturing, marketing and distribution of its products, and its other business operations;
(viii) the global economic and political environment in which Sony operates and the economic and political conditions in Sony's markets, particularly levels of consumer spending;
(ix) Sony's ability to meet operational and liquidity needs as a result of significant volatility and disruption in the global financial markets or a ratings downgrade;
(x) Sony's ability to forecast demands, manage timely procurement and control inventories;
(xi) 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, liabilities and operating results are denominated;
(xii) Sony's ability to recruit, retain and maintain productive relations with highly skilled personnel;
(xiii) Sony's ability to prevent unauthorized use or theft of intellectual property rights, to obtain or renew licenses relating to intellectual property rights and to defend itself against claims that its products or services infringe the intellectual property rights owned by others;
(xiv) the impact of changes in interest rates and unfavorable conditions or developments (including market fluctuations or volatility) in the equity and bond markets on the revenue and operating income of the Financial Services segment;
(xv) 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;
(xvi) risks related to catastrophic disasters, geopolitical conflicts, pandemic disease or similar events;
(xvii) the ability of Sony, its third-party service providers or business partners to anticipate and manage cybersecurity risk, including the risk of unauthorized access to Sony's business information and the personally identifiable information of its employees and customers, potential business disruptions or financial losses; and
(xviii) the outcome of pending and/or future legal and/or regulatory proceedings.

Risks and uncertainties also include the impact of any future events with material adverse impact. The continued impact of developments relating to the situations in Ukraine and Russia and in the Middle East could heighten many of the risks and uncertainties noted above. Important information regarding risks and uncertainties is also set forth in Sony's most recent Form 20-F, which is on file with the U.S. Securities and Exchange Commission.