

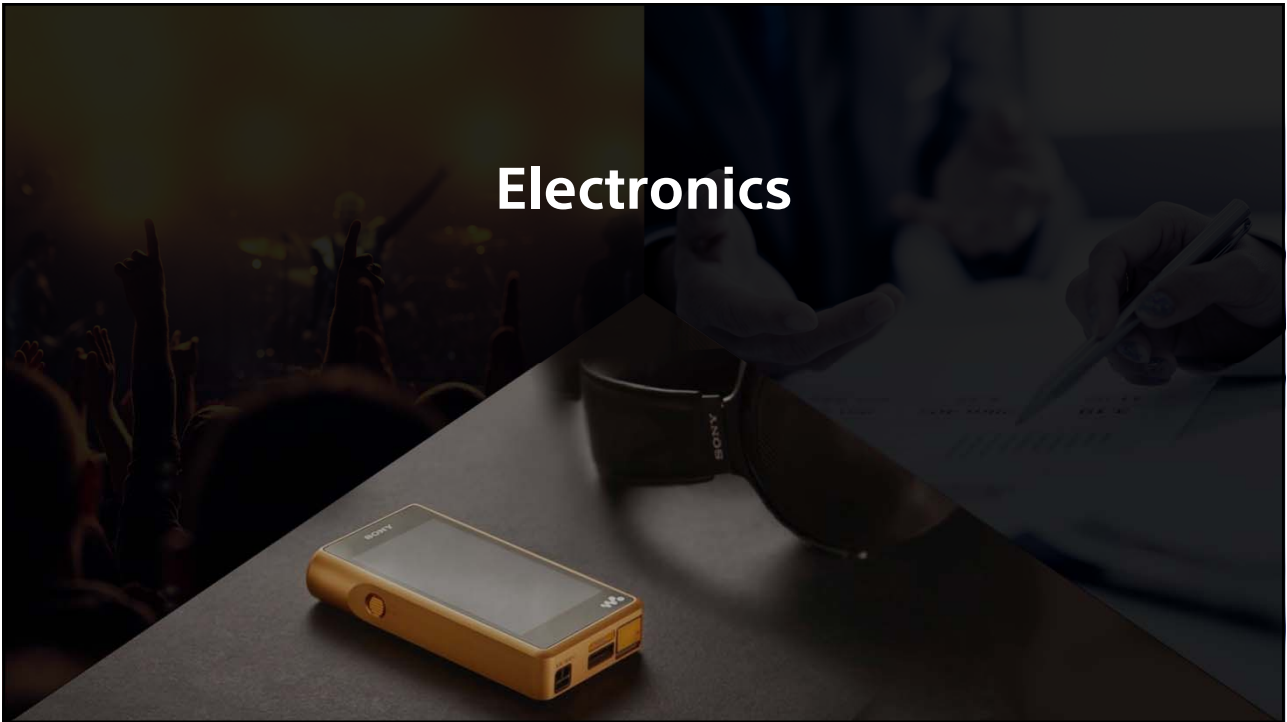
**SONY**

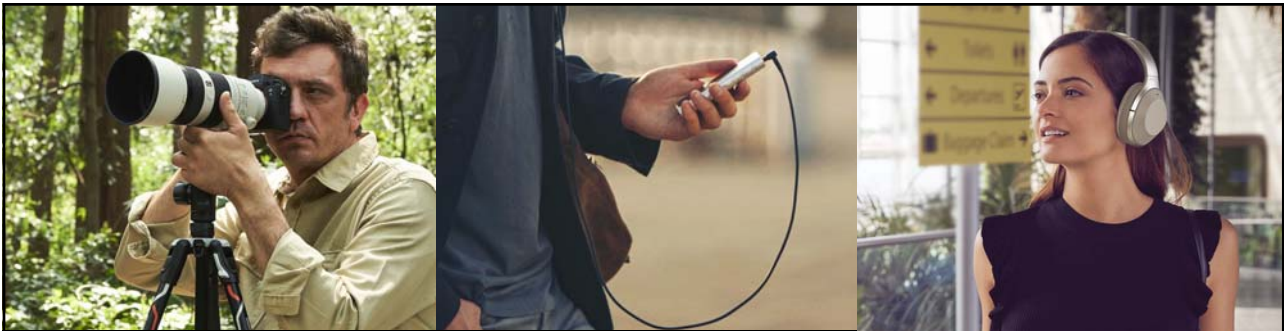
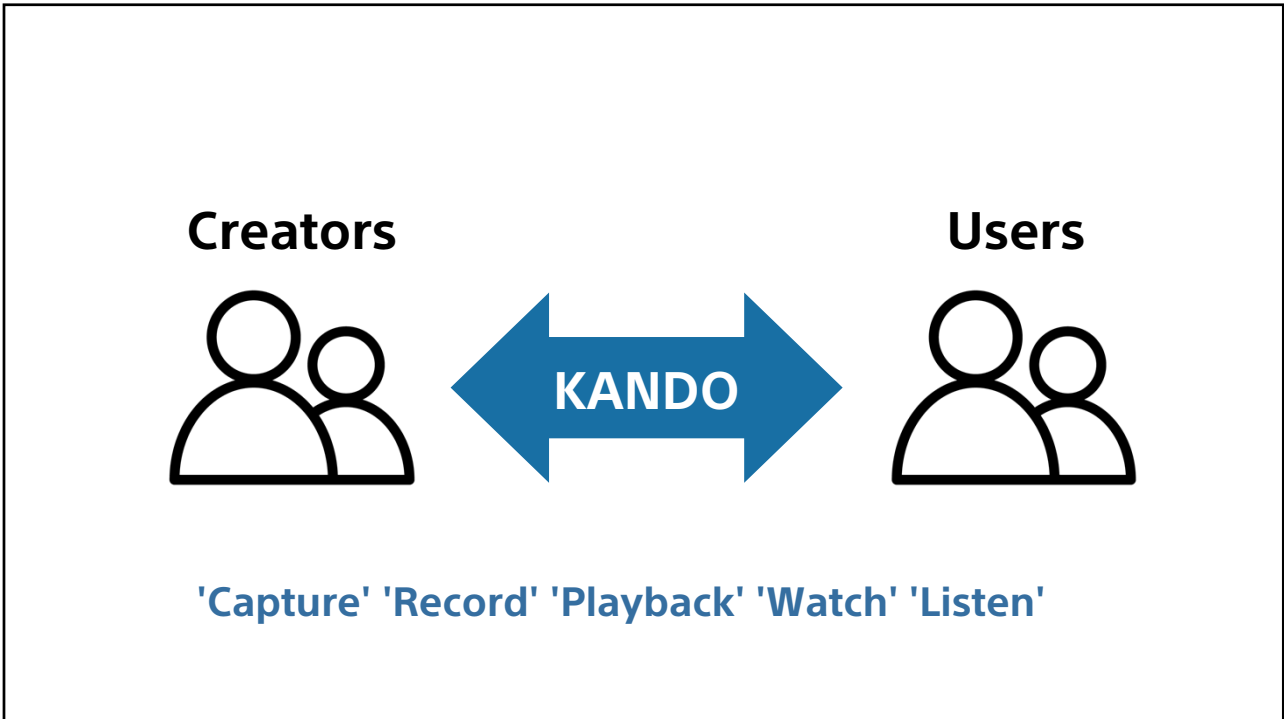
# **Corporate Strategy Meeting**

May 22, 2018

**Sony Corporation**

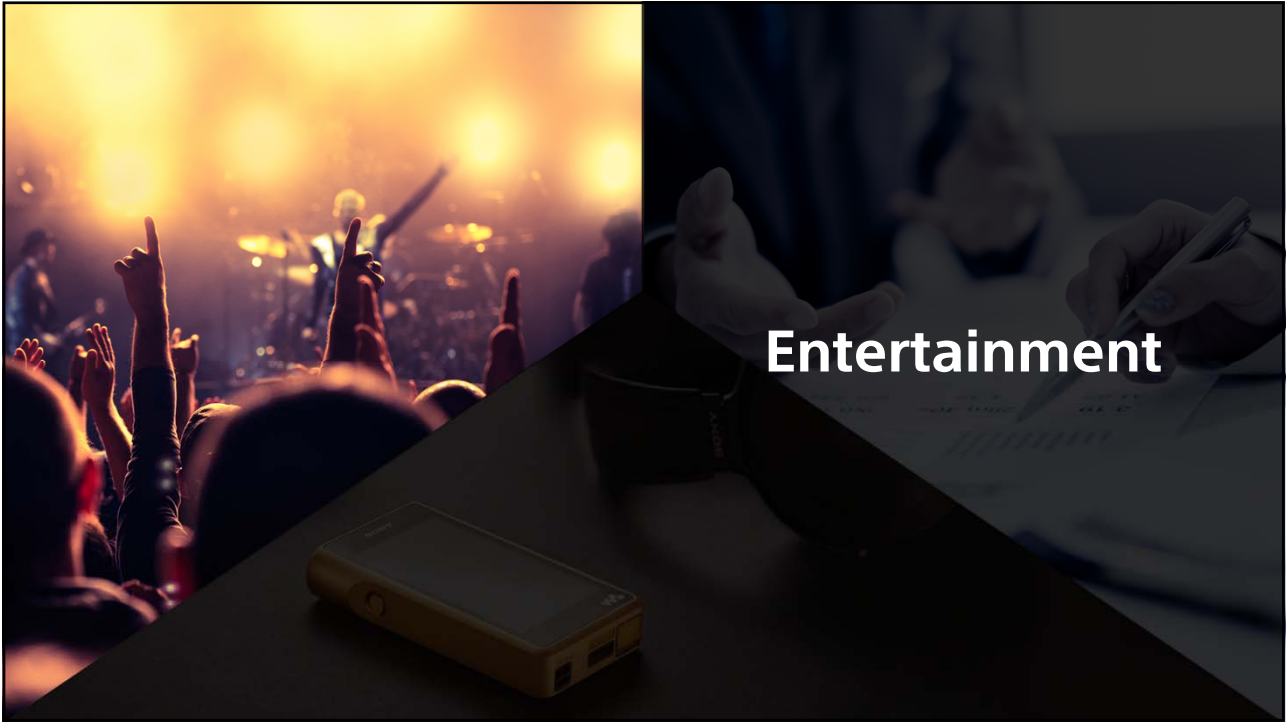
- 1. Business Portfolio**
- 2. Corporate Direction**
- 3. Initiatives of Each Business Segment**
- 4. Financial Targets**
- 5. Sony and Creating Social Value**



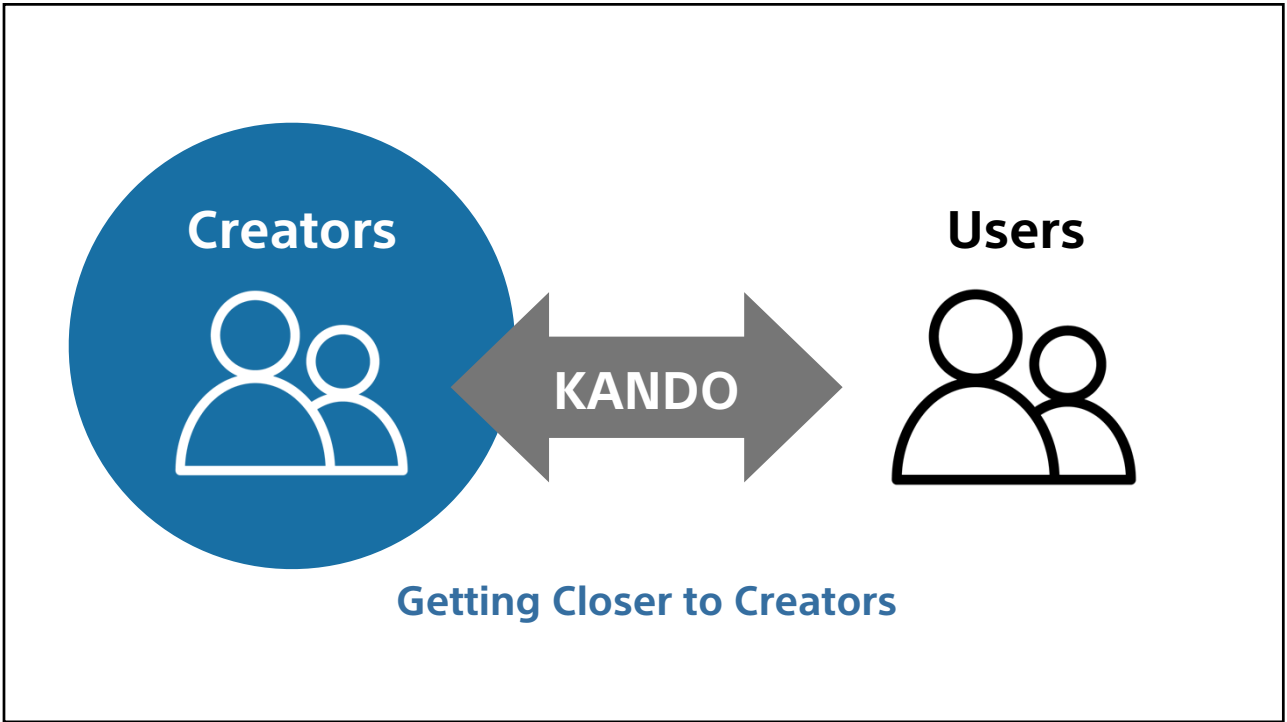


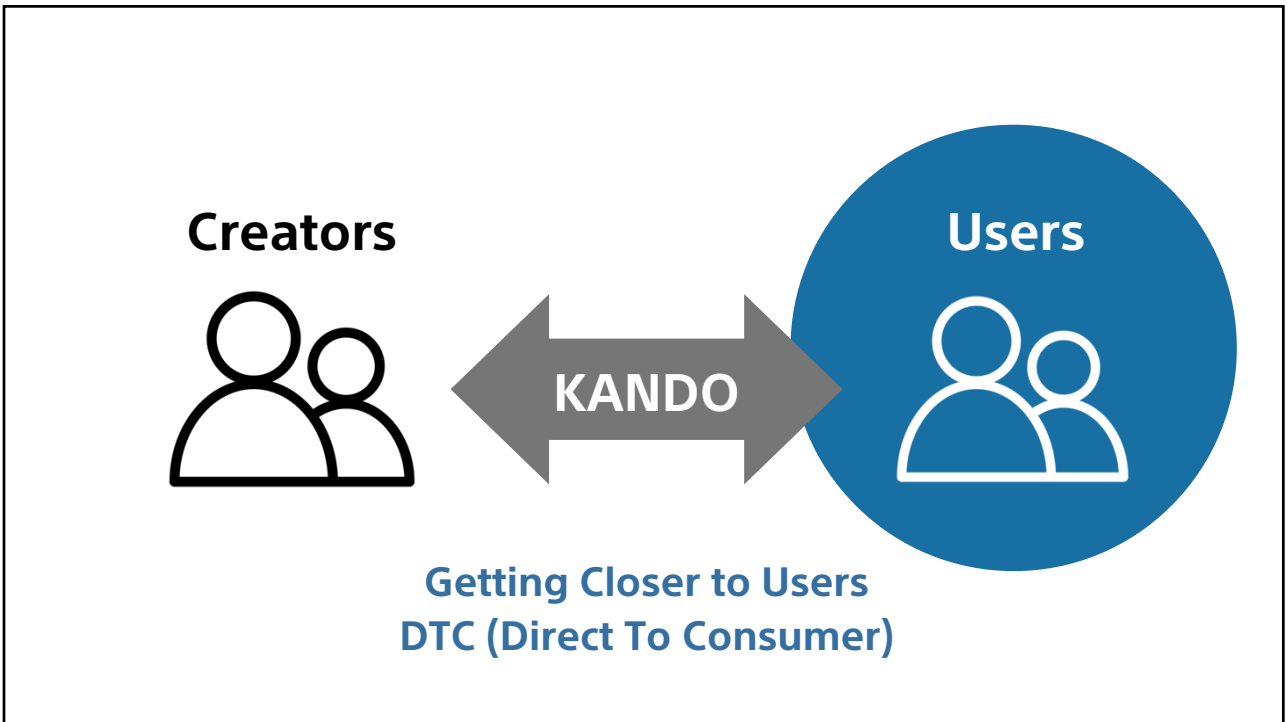
**'Capture' 'Record' 'Playback' 'Watch' 'Listen'**













# Entertainment





## Sony Business Segments

	Game & Network Services (G&NS)
	Music
	Pictures
	Home Entertainment & Sound (HE&S)
	Imaging Products & Solutions (IP&S)
	Mobile Communications (MC)
	Semiconductors
	Financial Services

1. Business Portfolio

**2. Corporate Direction**

3. Initiatives of Each Business Segment

4. Financial Targets

5. Sony and Creating Social Value

# "Getting Closer to People"

1

**Reinforce Direct to Consumer (DTC) services and content IP, and create "Communities of Interest" that bring together people who share emotional values and experiences.**

**2**

**Position Branded Hardware, which allows Sony to connect users and creators through its innovative video and audio technologies, as sustainable and consistent cash flow generating businesses.**

**3**

**In the area of CMOS image sensors that capture the real world in which we all live, and are vital to KANDO content creation, aim to maintain Sony's global number one position in imaging applications, and become the global leader in sensing applications.**



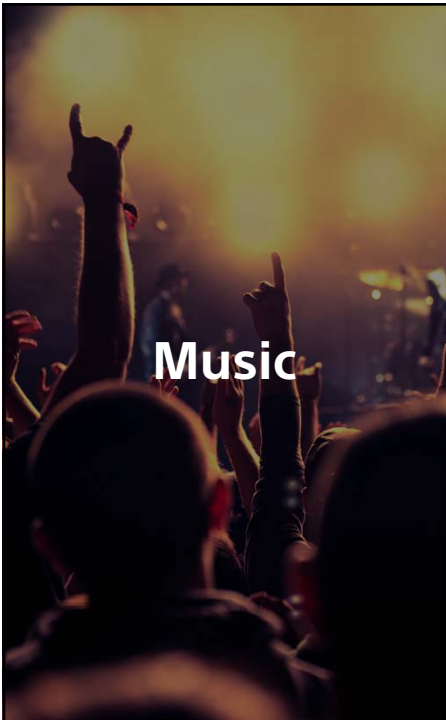


1. Business Portfolio
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- 3. Initiatives of Each Business Segment**
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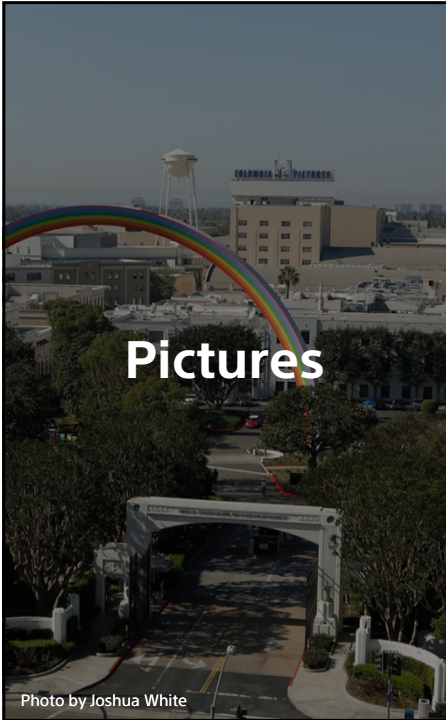
**Game  
&  
Network  
Services**

- Reinforce DTC Services
- Strengthen Content IP



**Music**

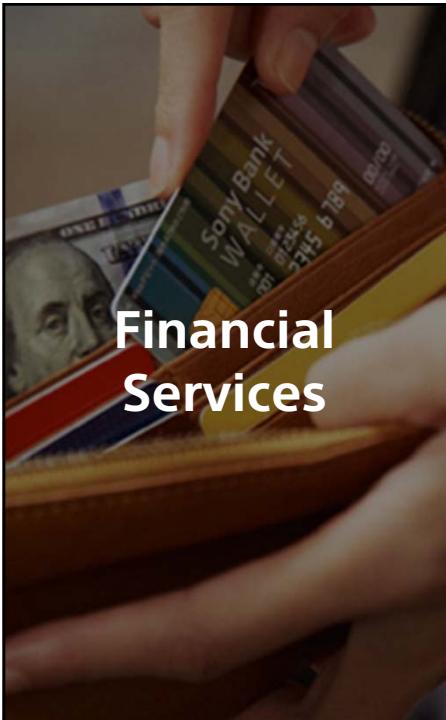
- Strengthen Content IP



## Pictures

Photo by Joshua White

- **Strengthen Content IP**
- **Media Networks**









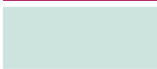

## Financial Services

- **Reinforce DTC Services**
- **Fintech**

# Branded Hardware

## Innovative video and audio technologies

### Sony Business Segments : Branded Hardware

	Game & Network Services (G&NS)
	Music
	Pictures
	Home Entertainment & Sound (HE&S)
	Imaging Products & Solutions (IP&S)
	Mobile Communications (MC)
	Semiconductors
	Financial Services



**Semiconductors**

## **CMOS Image Sensors**

- **Maintain No. 1 Position in Imaging**
- **Aim to Become Global Leader in Sensing**



## **What CMOS Image Sensors can do**

**Measure  
the DISTANCE**  
to the object

**Detect the DIRECTION  
and SPEED**  
of the object

**Determine  
WHAT**  
the object is

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## **Investment Areas**

- 1. Continued investment in "Content IP" and "DTC Services"**
- 2. Continued investment in "Semiconductor IP"**
- 3. Initiatives in "AI × Robotics" and "Medical" Businesses**

## Third Mid-Range Plan Financial Targets (FY2018-FY2020)

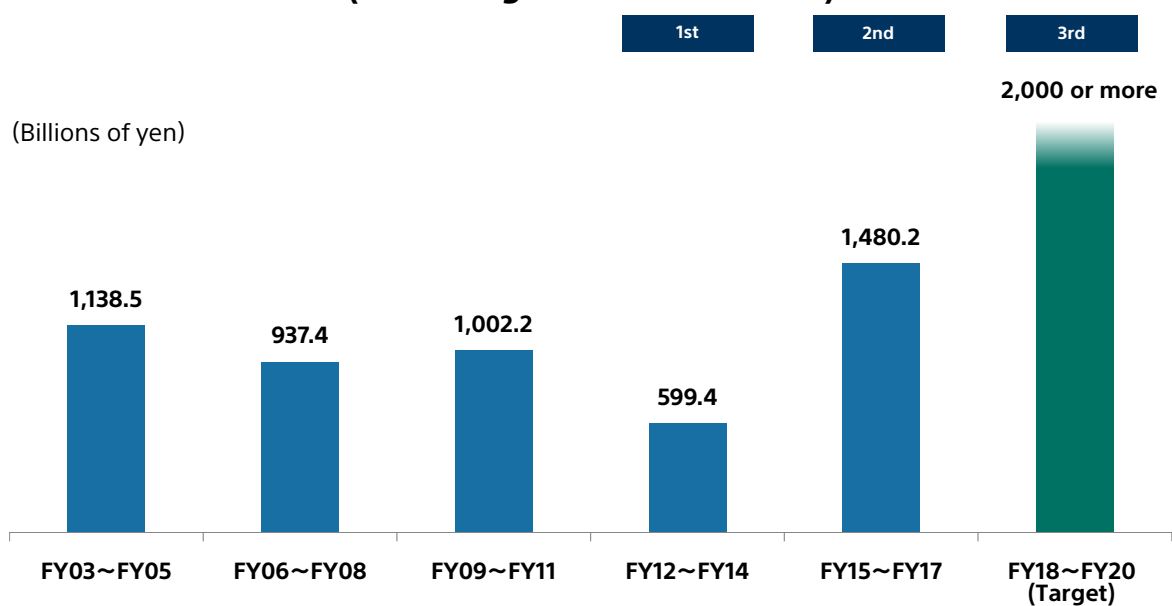
Operating Cash Flow  
3 year total  
(excluding Financial Services)

**2 Trillion yen  
or more**

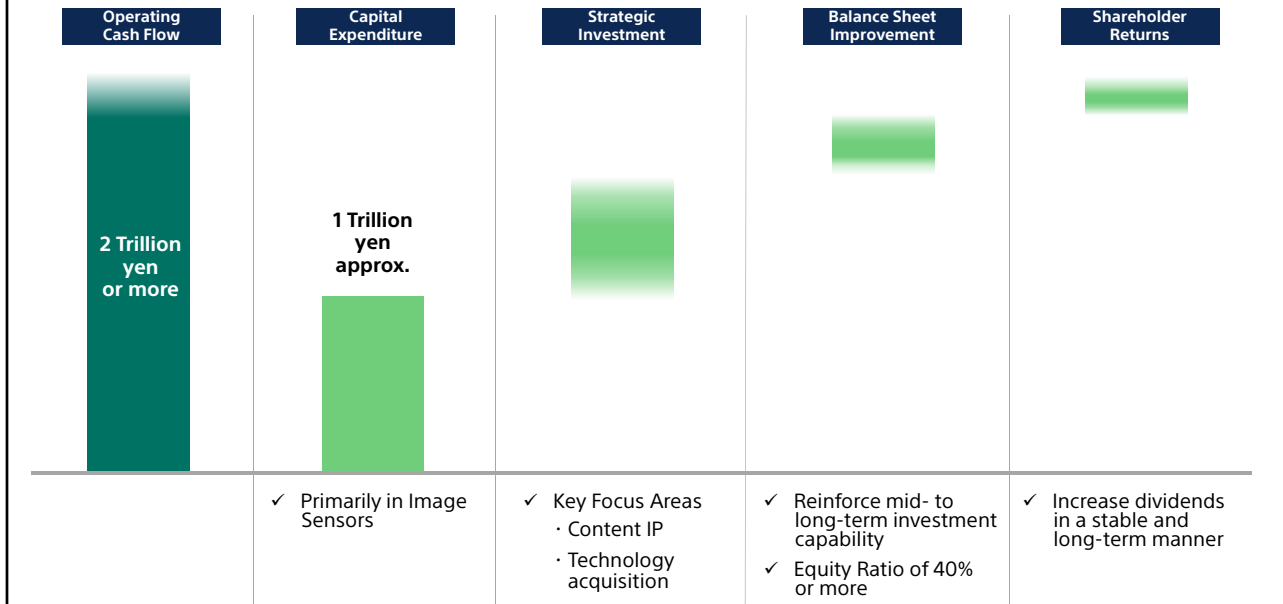
Return on Equity  
(ROE)

**Maintain 10%  
or more**

### Operating Cash Flow Three Year Totals (excluding Financial Services)



## Three Year Total Capital Allocation (excluding Financial Services)



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## Environment



## Contribute to Safety in Self-Driving Era



## Education

Discover & Nurture Artists  
Artist Management



KOOV™ / MESH™ / toio™  
Global Math Challenge



SAP (Seed Acceleration Program)  
Sony Innovation Fund



**Aim to Generate Sustainable Social Value  
and Maintain a High Level of Profit**



**SONY**

## 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 and network 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 and customers' satisfaction with its existing products and services;
- (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 changes in interest rates and 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.

## Note to the Financial Information Excluding Financial Services

Financial information excluding Financial Services made in this presentation is not in accordance with accounting principles generally accepted in the United States of America, which is used by Sony to prepare its consolidated financial statements. However, because the Financial Services segment is different in nature from Sony's other segments, Sony utilizes this information to analyze its results without the Financial Services segment and believes that a comparative presentation may be useful in understanding and analyzing Sony's consolidated financial statements.