SONY

FY2023 Consolidated Financial Results

(Fiscal year ended March 31, 2024)

May 14, 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.

- **FY2023 Consolidated Financial Results and FY2024 Consolidated Results Forecast**
- **Segments Outlook**
- **5th Mid-Range Plan (FY24-FY26)**

- Today, I will explain this content.
- Matsuoka and Hayakawa will talk about our results for the Fiscal Year ended March 31, 2024 (“FY23”) and our results forecast for the Fiscal Year ending March 31, 2025 (“FY24”), and I will talk about the 5th Mid-Range Plan, which started this fiscal year.

FY2023 Consolidated Results

(Bln Yen)

	Sony without Financial Services			Consolidated		
	FY22	FY23	Change	FY22	FY23	Change
Sales*	10,102.0	**11,265.0**	+1,163.1 (+12%)	10,974.4	**13,020.8**	+2,046.4 (+19%)
Operating income	983.3	**1,035.3**	+52.0 (+5%)	1,302.4	**1,208.8**	-93.6 (-7%)
Operating income margin	9.7%	**9.2%**	-0.5 pts	11.9%	**9.3%**	-2.6 pts
Income before income taxes	996.8	**1,145.1**	+148.4 (+15%)	1,274.5	**1,268.7**	-5.8 (-0%)
Net income attributable to Sony Group Corporation's stockholders	818.1	**896.6**	+78.5 (+10%)	1,005.3	**970.6**	-34.7 (-3%)
Net income attributable to Sony Group Corporation's stockholders per share of common stock (diluted)	659.07 yen	**725.83 yen**	+66.76 yen	809.85 yen	**785.68 yen**	-24.17 yen
Adjusted OIBDA	1,493.5	**1,644.6**	+151.1 (+10%)	1,816.9	**1,826.1**	+9.3 (+1%)
Adjusted EBITDA	1,515.6	**1,686.5**	+170.9 (+11%)	1,797.6	**1,818.0**	+20.4 (+1%)
Operating Cash Flow	415.5	**1,177.8**	+762.4 (+183%)			

Average Rate	FY22	FY23
1 US dollar	135.4 yen	**144.4 yen**
1 Euro	140.9 yen	**156.6 yen**

	Interim	Year-end	Full year
Dividend per Share	40 yen	45 yen	**85 yen**

* "Sales" is used to mean "sales and financial services revenue" in accordance with International Financial Reporting Standards ("IFRS") (applies to all following pages).
Sony has adopted IFRS 17 "Insurance Contracts" ("IFRS 17") from Q1 FY23, in lieu of the previously applied IFRS 4 "Insurance Contracts." Figures for FY22 are restated in accordance with IFRS 17 (applies to all following pages).
Adjusted OIBDA, Adjusted EBITDA and figures for Sony without Financial Services are not measures in accordance with IFRS. 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 26-27 (applies to all following pages).

- FY23 consolidated sales were 13 trillion 20.8 billion yen, a new record high.
- Consolidated operating income was 1 trillion 208.8 billion yen, net income was 970.6 billion yen, and consolidated adjusted EBITDA was 1 trillion 818.0 billion yen.
- Furthermore, the 229.4 billion yen in consolidated operating income for the previous quarter was the highest ever for a fourth quarter.
- Due to the partial spin-off of our Financial Services business, which is scheduled for October 2025, from this earnings announcement, we are also showing our figures without the Financial Services segment.
- On a consolidated basis excluding the Financial Services segment, sales were 11 trillion 265.0 billion yen, operating income was 1 trillion 35.3 billion yen, and operating cash flow was 1 trillion 177.8 billion yen.

FY2023 Results by Segment

(Bln Yen)

Segment		FY22	FY23	Change	FX Impact
Game & Network Services (G&NS)	Sales	3,644.6	**4,267.7**	+623.1	+278.9
	Operating income	250.0	**290.2**	+40.2	+38.6
	Adjusted OIBDA	337.0	**407.9**	+70.9	
Music	Sales	1,380.6	**1,619.0**	+238.3	+76.5
	Operating income	263.1	**301.7**	+38.6	
	Adjusted OIBDA	316.4	**368.7**	+52.3	
Pictures	Sales	1,369.4	**1,493.1**	+123.6	+93.1
	Operating income	119.3	**117.7**	-1.6	
	Adjusted OIBDA	168.2	**171.2**	+3.0	
Entertainment, Technology & Services (ET&S)	Sales	2,476.0	**2,453.7**	-22.3	+98.4
	Operating income	179.5	**187.4**	+7.9	+20.5
	Adjusted OIBDA	276.9	**289.1**	+12.2	
Imaging & Sensing Solutions (I&SS)	Sales	1,402.2	**1,602.7**	+200.6	+99.2
	Operating income	212.2	**193.5**	-18.7	+62.3*3
	Adjusted OIBDA	408.9	**441.4**	+32.6	
All other	Sales	87.6	**89.4**	+1.7	
	Operating income	16.8	**1.6**	-15.2	
	Adjusted OIBDA	21.2	**6.4**	-14.8	
Corporate and elimination	Operating income	-56.6	**-56.8**	-0.2	
	Adjusted OIBDA	-34.2	**-40.1**	-6.0	
Sony without Financial Services*1	Sales	10,102.0	**11,265.0**	+1,163.0	
	Operating income	983.3	**1,035.3**	+52.0	
	Adjusted OIBDA	1,493.5	**1,644.6**	+151.1	
	Adjusted EBITDA	1,515.6	**1,686.5**	+170.9	
Financial Services*1	Revenue	889.1	**1,770.0**	+880.9	
	Operating income	318.1	**173.6**	-144.5	
	Adjusted OIBDA	322.4	**181.5**	-140.9	
Consolidated total*1	Sales	10,974.4	**13,020.8**	+2,046.4	
	Operating income	1,302.4	**1,208.8**	-93.6	
	Adjusted OIBDA	1,816.9	**1,826.1**	+9.3	
	Adjusted EBITDA*2	1,797.6	**1,818.0**	+20.4	

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 reported before intersegment transactions are eliminated and excludes unallocated corporate expenses (applies to all following pages).

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

*1 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).

*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).

*3 The figures for FX Impact on Operating Income of the Imaging & Sensing Solutions (I&SS) segment were erroneously disclosed in the presentation slides used in FY2023 Q1, Q2 and Q3 Earnings Announcements. The annual figure is presented, assuming that such figures have been revised correctly. (applies to all following pages).

- The performance by segment for FY23 is shown on this slide.

FY2024 Consolidated Results Forecast

(Bln Yen)

	Sony without Financial Services			Consolidated		
	FY23	FY24 FCT	Change	FY23	FY24 FCT	Change
Sales	11,265.0	**11,400**	+135.0 (+1%)	13,020.8	**12,310**	-710.8 (-5%)
Operating income	1,035.3	**1,130**	+94.7 (+9%)	1,208.8	**1,275**	+66.2 (+5%)
Operating income margin	9.2%	**9.9%**	+0.7 pts	9.3%	**10.4%**	+1.1 pts
Income before income taxes	1,145.1	**1,110**	-35.1 (-3%)	1,268.7	**1,255**	-13.7 (-1%)
Net income attributable to Sony Group Corporation's stockholders	896.6	**820**	-76.6 (-9%)	970.6	**925**	-45.6 (-5%)
Adjusted OIBDA	1,644.6	**1,770**	+125.4 (+8%)	1,826.1	**1,940**	+113.9 (+6%)
Adjusted EBITDA	1,686.5	**1,760**	+73.5 (+4%)	1,818.0	**1,930**	+112.0 (+6%)
Operating Cash Flow	1,177.8	**1,400**	+222.2 (+19%)			

Average Rate	FY23 (Actual)	FY24 (Assumption)
1 US dollar	144.4 yen	Approx. **145** yen
1 Euro	156.6 yen	Approx. **157** 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. 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) represents 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 the full FY24.
- Our full-year forecast is sales of 12 trillion 310 billion yen, operating income of 1 trillion 275 billion yen, and net income of 925 billion yen.
- On a consolidated basis excluding the Financial Services segment, sales are expected to be 11 trillion 400 billion yen and operating income is expected to increase 9% compared to the same period of the previous fiscal year ("year-on-year") to 1 trillion 130 billion yen.
- The forecast for consolidated operating cash flow excluding the Financial Services segment is 1 trillion 400 billion yen, a significant increase of 19% year-on-year.

FY2024 Results Forecast by Segment

(Bln Yen)

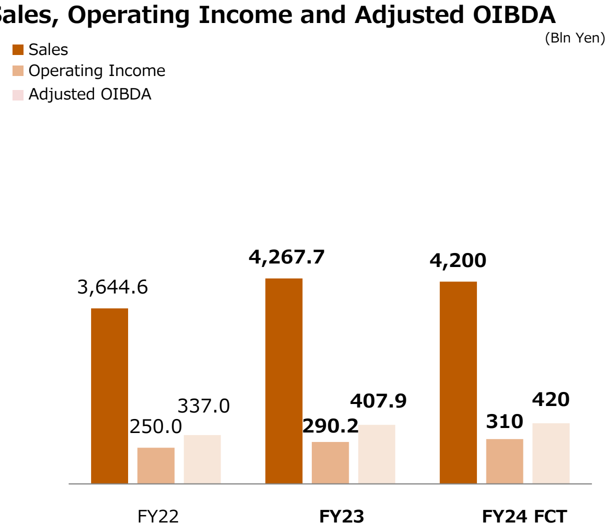
		FY23	FY24 FCT	Change from FY23
Game & Network Services (G&NS)	Sales	4,267.7	**4,200**	-67.7
	Operating income	290.2	**310**	+19.8
	Adjusted OIBDA	407.9	**420**	+12.1
Music	Sales	1,619.0	**1,690**	+71.0
	Operating income	301.7	**315**	+13.3
	Adjusted OIBDA	368.7	**400**	+31.3
Pictures	Sales	1,493.1	**1,480**	-13.1
	Operating income	117.7	**120**	+2.3
	Adjusted OIBDA	171.2	**170**	-1.2
Entertainment, Technology & Services (ET&S)	Sales	2,453.7	**2,370**	-83.7
	Operating income	187.4	**190**	+2.6
	Adjusted OIBDA	289.1	**290**	+0.9
Imaging & Sensing Solutions (I&SS)	Sales	1,602.7	**1,840**	+237.3
	Operating income	193.5	**270**	+76.5
	Adjusted OIBDA	441.4	**545**	+103.6
All Other, Corporate and elimination	Operating income	-55.2	**-75**	-19.8
	Adjusted OIBDA	-33.7	**-55**	-21.3
Sony without Financial Services	Sales	11,265.0	**11,400**	+135.0
	Operating income	1,035.3	**1,130**	+94.7
	Adjusted OIBDA	1,644.6	**1,770**	+125.4
	Adjusted EBITDA	1,686.5	**1,760**	+73.5
Financial Services	Revenue	1,770.0	**910**	-860.0
	Operating income	173.6	**145**	-28.6
	Adjusted OIBDA	181.5	**170**	-11.5
Consolidated total	Sales	13,020.8	**12,310**	-710.8
	Operating income	1,208.8	**1,275**	+66.2
	Adjusted OIBDA	1,826.1	**1,940**	+113.9
	Adjusted EBITDA	1,818.0	**1,930**	+112.0

Adjusted OIBDA, Adjusted EBITDA and figures for Sony without Financial Services are not measures in accordance with IFRS. 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



FY2023 (year-on-year)

- Sales: 623.1 bln yen (17%) significant increase (FX Impact: +278.9 bln yen)
  - ·(+) Increase in sales of non-first-party titles including add-on content
  - ·(+) Impact of foreign exchange rates
- OI: 40.2 bln yen (16%) increase (FX Impact: +38.6 bln yen) / Adjusted OIBDA: 70.9 bln yen (21%) significant increase
  - ·(+) Impact of increase in sales of non-first-party titles including add-on content
  - ·(+) Positive impact of foreign exchange rates
  - ·(−) Increase in losses from hardware mainly due to promotions
  - ·(−) Impact of decrease in sales of first-party titles

FY2024 Forecast (year-on-year)

- Sales: 67.7 bln yen (2%) decrease
  - ·(−) Decrease in sales of hardware resulting from lower unit sales
  - ·(+) Increase in sales of non-first-party titles including add-on content
- OI: 19.8 bln yen (7%) increase / Adjusted OIBDA: 12.1 bln yen (3%) increase
  - ·(+) Decrease in hardware losses due to lower unit sales
  - ·(+) Impact of increase in sales from network services, mainly PlayStation® Plus
  - ·(−) Impact of decrease in sales of first-party titles

- First is the Game & Network Services ("G&NS") segment.
- FY23 sales increased a significant 17% year-on-year to 4 trillion 267.7 billion yen, mainly due to increased third-party software sales and the impact of foreign exchange rates.
- Operating income increased 40.2 billion yen year-on-year to 290.2 billion yen, mainly due to the increased sales.
- Operating income for the previous quarter was 106.0 billion yen, a new record high for the fourth quarter in this segment.
- The FY24 forecast for sales is 4 trillion 200 billion yen and operating income is 310 billion yen.
- We expect acquisition-related expenses, including expenses related to the acquisition of Bungie Inc. ("Bungie"), for this fiscal year to be approximately 52 billion yen, a decrease of 17 billion yen year-on-year.

Game & Network Services

- PlayStation 5 (“PS5”) sales in the previous quarter totaled 4.5 million units, and, in the full FY23, 20.8 million units.

- As of the end of March, cumulative unit sales of PS5 reached 59.2 million units, approaching the 60 million cumulative units sold of the PlayStation 4 (“PS4”), which had undergone price cuts of a total of 100 U.S. Dollars in the same period since its release.

- We expect PS5 sales for this fiscal year to be approximately 18 million units.

- In terms of software, the live service game Helldivers 2, released in February, has been a hit that far exceeded expectations, with cumulative sales for both PS5 and PC in the 12 weeks since its release to the beginning of May reaching 12 million copies, surpassing the record set by *God of War Ragnarök* in the same period after its release in 2022.

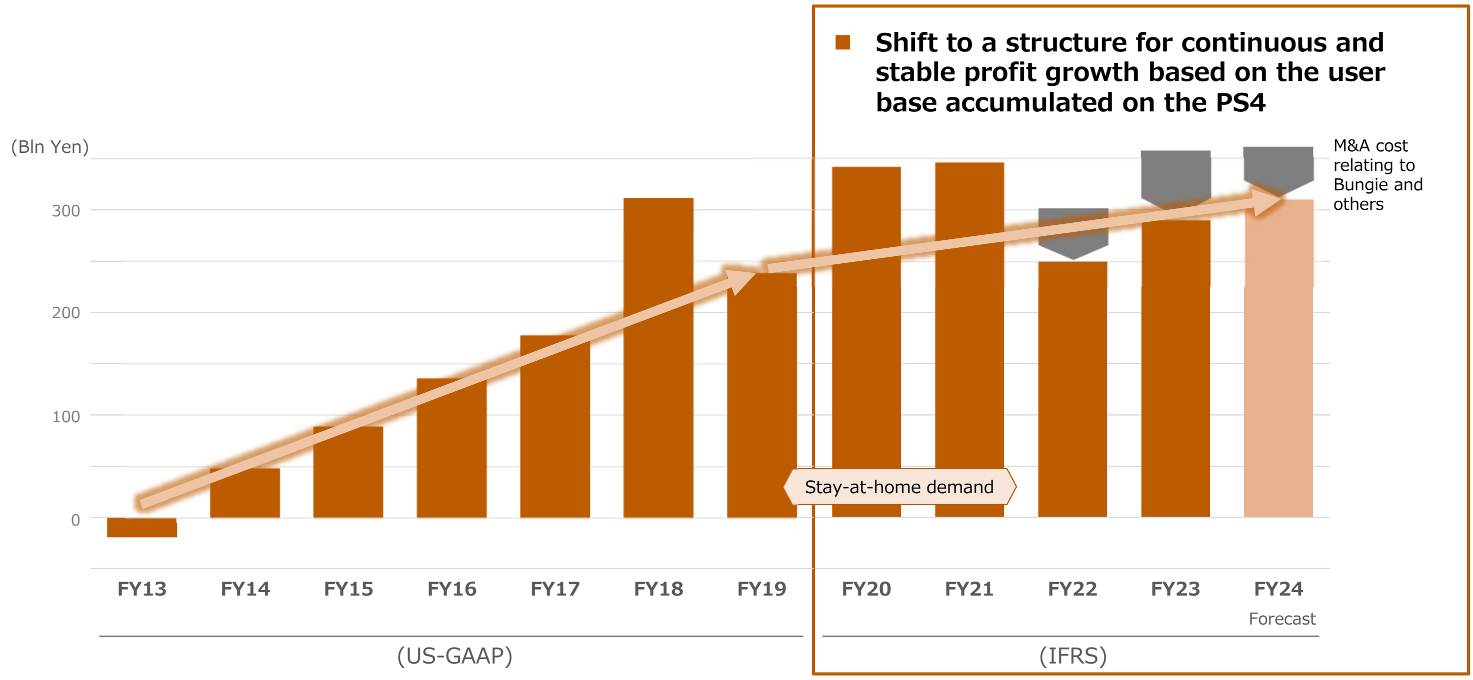
- The game has become our biggest PC hit title to date, and as a multi-platform title, it also contributed significantly to sales and profit last quarter.

- Following this success, we are looking forward to the release of live service games such as the expansion content *Destiny 2: The Final Shape*, which is expected to be released by Bungie on June 4, and *Concord*, which is scheduled to be released this year by Firewalk Studios, which we acquired in 2023.

- Thanks primarily to the growing penetration of PS5, as well as the success of *Helldivers 2* and third-party free-to-play titles, the number of monthly active users across PS in March remained high at 118 million accounts, up 9% year-on-year.

- Total play time on PS in the month of March increased 15% year-on-year, and, for the entire fourth quarter ended March 31, 2024, it reached the second highest level in history, second only to the fourth quarter of the fiscal year ended March 31, 2021 (“FY20”), which benefited from significant stay-at-home demand due to the COVID-19 pandemic.

G&NS Operating Income Trend



- Looking at the console cycle, we think that the PlayStation business model has changed significantly since the launch of the PS4.

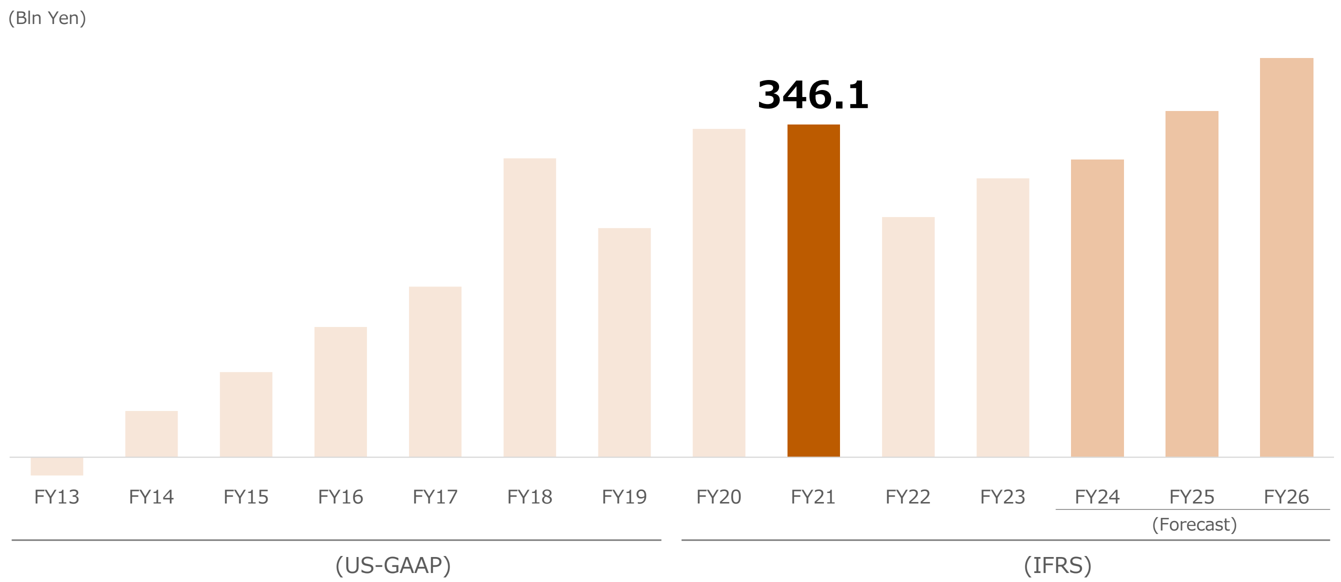
- The business model up to and including the PlayStation 3 was focused on increasing the number of software units sold in relation to newly sold hardware for each console generation. After a transition period during the PS4 generation, the PS5 model has shifted to one where playtime on the platform has increased due to expansion of the user community beyond console generations.

- Due to this change in business model, during the PS4 generation, we were able to significantly grow profits in this segment thanks to rapid digitalization and the expansion of network services.

- In the PS5 generation, which has capitalized on the established PS4 user base, the trend is hard to see due to the impact of stay-at-home demand and acquisition-related expenses, but, since the launch of the PS5, we have continued to achieve a high level of, and more stable, profit growth.

G&NS Operating Income Trend

Planning to achieve a new record high in profits during the 5th Mid-Range Plan

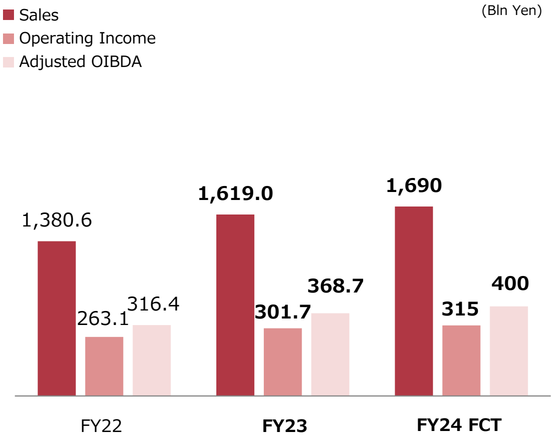


- As we enter the second half of the console cycle, we expect the number of new PS5 units sold to gradually decline. However, by steadily maintaining and expanding the consistently increasing number of active users and user engagement, while also strengthening control over business costs, we believe that we will be able to steadily increase sales and profits from the PS platform going forward.

- In addition to the stable earnings base on the PS platform, we are aiming to grow sales of first-party software, which we have been actively strengthening in recent years, and by doing so, we plan to achieve a new record high in profits in this segment during the 5th Mid-Range Plan.

Music Segment

Sales, Operating Income and Adjusted OIBDA



FY2023 (year-on-year)

- Sales: 238.3 bln yen (17%) significant increase (FX Impact: +76.5 bln yen)
  - ・(+) Higher revenues from streaming services, primarily from paid subscriptions, in Recorded Music and Music Publishing
  - ・(+) Impact of foreign exchange rates
  - ・(+) Higher revenues for merchandise, live and other sales in Recorded Music
- OI: 38.6 bln yen (15%) increase / Adjusted OIBDA: 52.3 bln yen (17%) increase
  - ・(+) Impact of increase in Recorded Music and Music Publishing sales
  - ・(+) Positive impact of foreign exchange rates
  - ・(+) Remeasurement gain 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
  - ・(−) Impact of litigation settlements received during FY22 in relation to lawsuits for Recorded Music and Music Publishing (net of expenses, 5.7 bln yen)*

FY2024 Forecast (year-on-year)

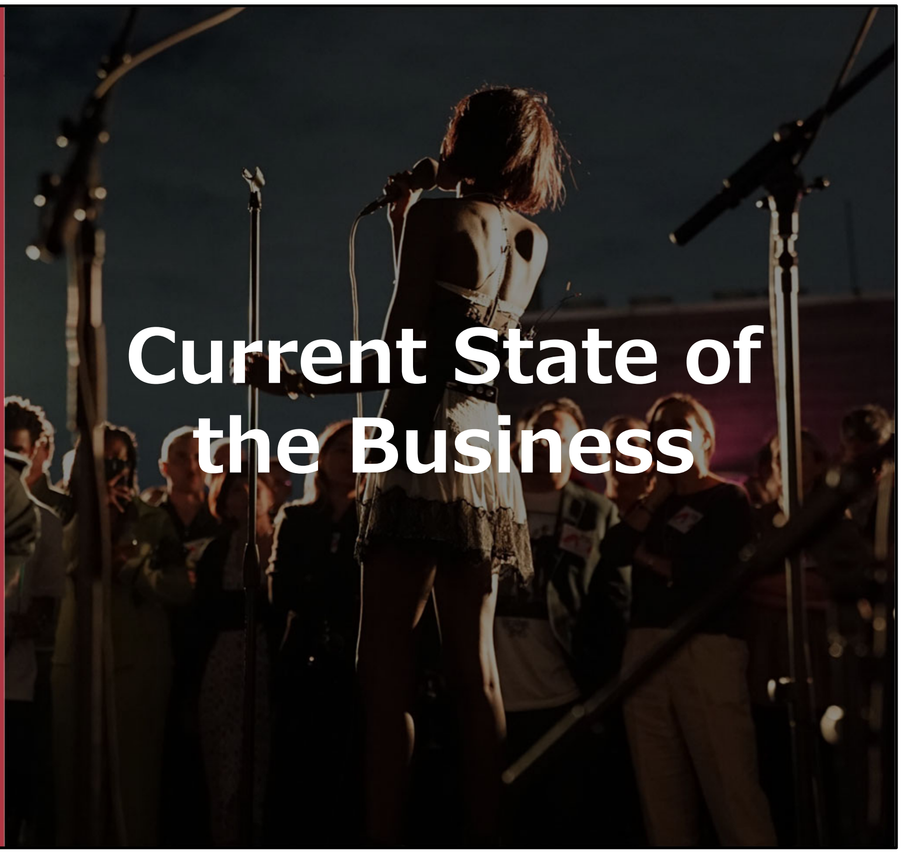
- Sales: 71 bln yen (4%) increase
  - ・(+) Higher revenues primarily from streaming services in Recorded Music and Music Publishing
- OI: 13.3 bln yen (4%) increase / Adjusted OIBDA: 31.3 bln yen (8%) increase
  - ・(+) Impact of increase in sales
  - ・(−) Increase in depreciation and amortization expenses*
  - ・(−) Absence of remeasurement gain resulting from the consolidation of a company previously accounted for using the equity method in FY23 (6.0 bln yen)*

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

- Next is the Music segment.
- FY23 sales increased a significant 17% year-on-year to 1 trillion 619.0 billion yen, mainly due to increased streaming sales and the impact of foreign exchange rates.
- Operating income increased 38.6 billion yen from the previous fiscal year to 301.7 billion yen, mainly due to increased sales, setting a new record for this segment for the fourth consecutive year and being the highest among our six business segments, as was the case in the previous fiscal year.
- The FY23 profit contribution from Visual Media & Platform accounted for approximately 10% of the segment’s operating income.
- The FY24 forecast for sales is 1 trillion 690 billion yen and operating income is 315 billion yen.

Music Segment

Current State of the Business



- Streaming revenue in the previous quarter continued to grow on a U.S. dollar basis, with both Recorded Music and Music Publishing each increasing 11% year-on-year.

- In terms of Recorded Music, an average of 31 songs were ranked in the top 100 on Spotify’s weekly global song rankings for the whole of FY23.

- Moreover, Beyoncé’s new album *Cowboy Carter*, released on March 29, has become a hit, ranking number one in the U.S. album chart immediately upon its release.

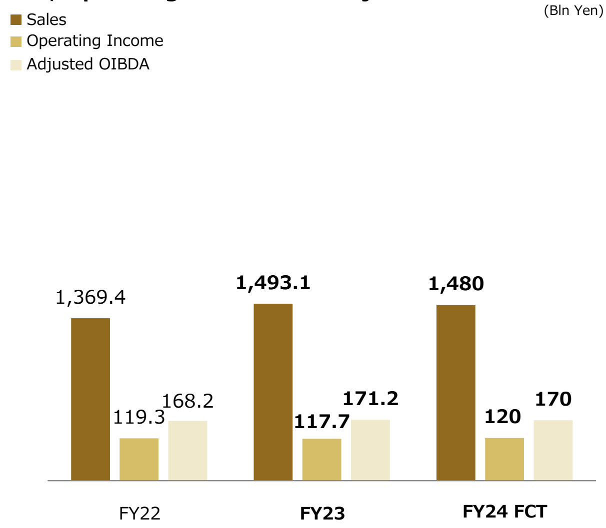
- Streaming revenue in Music Publishing has grown significantly, with a CAGR of 38% over the four years since FY20, thanks to an expansion of opportunities to monetize our music catalogue, which have been available for a certain period of time.

- We have been strengthening our music catalog since making EMI Music Publishing a wholly-owned subsidiary in 2018, and the number of songs we managed at the end of March was approximately 6.24 million, an increase of 1.7 times over the past 10 years. We also maintain the top global market share in Music Publishing.

- The value of music catalogs as IP assets is expanding significantly, and we intend to further expand the monetization opportunities of these IP assets primarily by maximizing synergies between the entertainment businesses.

Pictures Segment

Sales, Operating Income and Adjusted OIBDA



FY2023 (year-on-year)

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

- Sales: 123.6 bln yen (9%) increase (U.S. dollar basis: +174 mil USD / +2%)
  - ·(+) Increase in theatrical releases
  - ·(+) Higher revenues for Crunchyroll resulting from paid subscriber growth
  - ·(−) Decrease in series deliveries in Television Productions due to the impact of the strikes in Hollywood
  - ·(−) Lower licensing revenues from catalog product in Motion Pictures compared to FY22, which benefitted from the contribution of several franchise films released theatrically in FY21
- OI: Essentially flat year-on-year (U.S. dollar basis: -86 mil USD / -10%)
  Adjusted OIBDA: Essentially flat year-on-year
  (U.S. dollar basis: -73 mil USD / -6%)
  - ·(−) Higher marketing costs in support of a greater number of theatrical releases
  - ·(+) Impact of increase in sales

FY2024 Forecast (year-on-year)

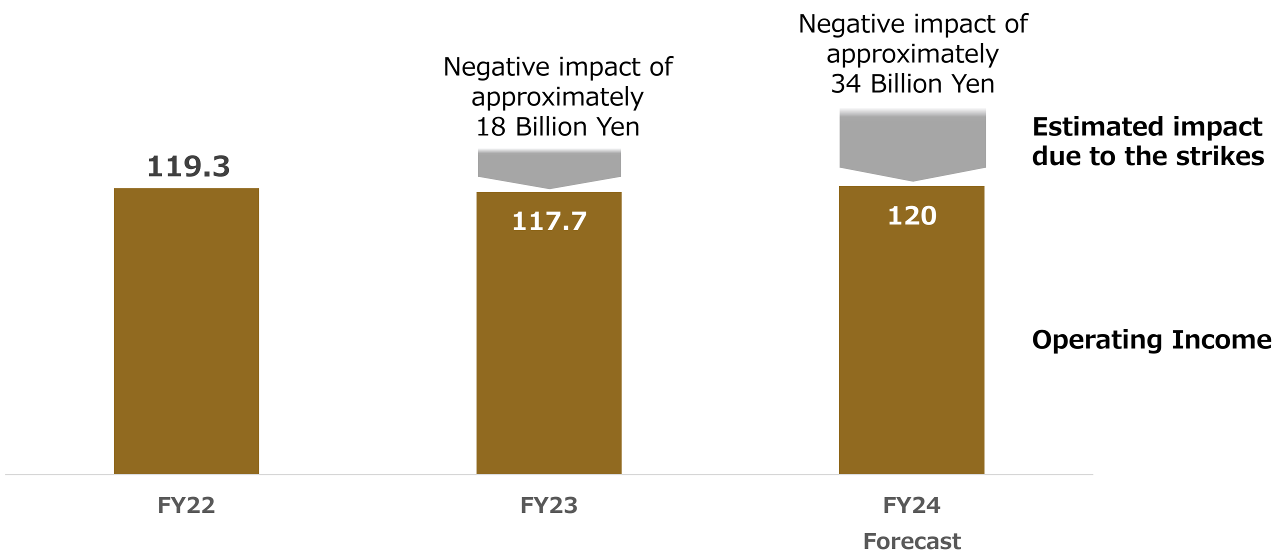
- Sales: Essentially flat year-on-year
  - ·(−) Decrease in series deliveries in Television Productions mainly due to the impact of the strikes in Hollywood
  - ·(+) Higher sales for Media Networks mainly for Crunchyroll
  - ·(+) Higher sales for films to be released theatrically in FY24 including several franchise films
- OI / Adjusted OIBDA: Essentially flat year-on-year
  - ·(+) Impact of higher sales for Media Networks
  - ·(−) Impact of lower sales for Television Productions

- Next is the Pictures segment.
- Although there was a decrease in the number of television program deliveries, FY23 sales increased 9% year-on-year to 1 trillion 493.1 billion yen due to an increase in the number of theatrical releases and the impact of foreign exchange rates.
- Operating income was 117.7 billion yen, essentially flat year-on-year. This was primarily due to an increase in marketing costs resulting from the increased number of releases, offset by the impact of the increase in sales.
- Our FY24 forecast for sales is 1 trillion 480 billion yen and operating income is 120 billion yen.

Impact of Strikes

Pictures Segment Operating Income

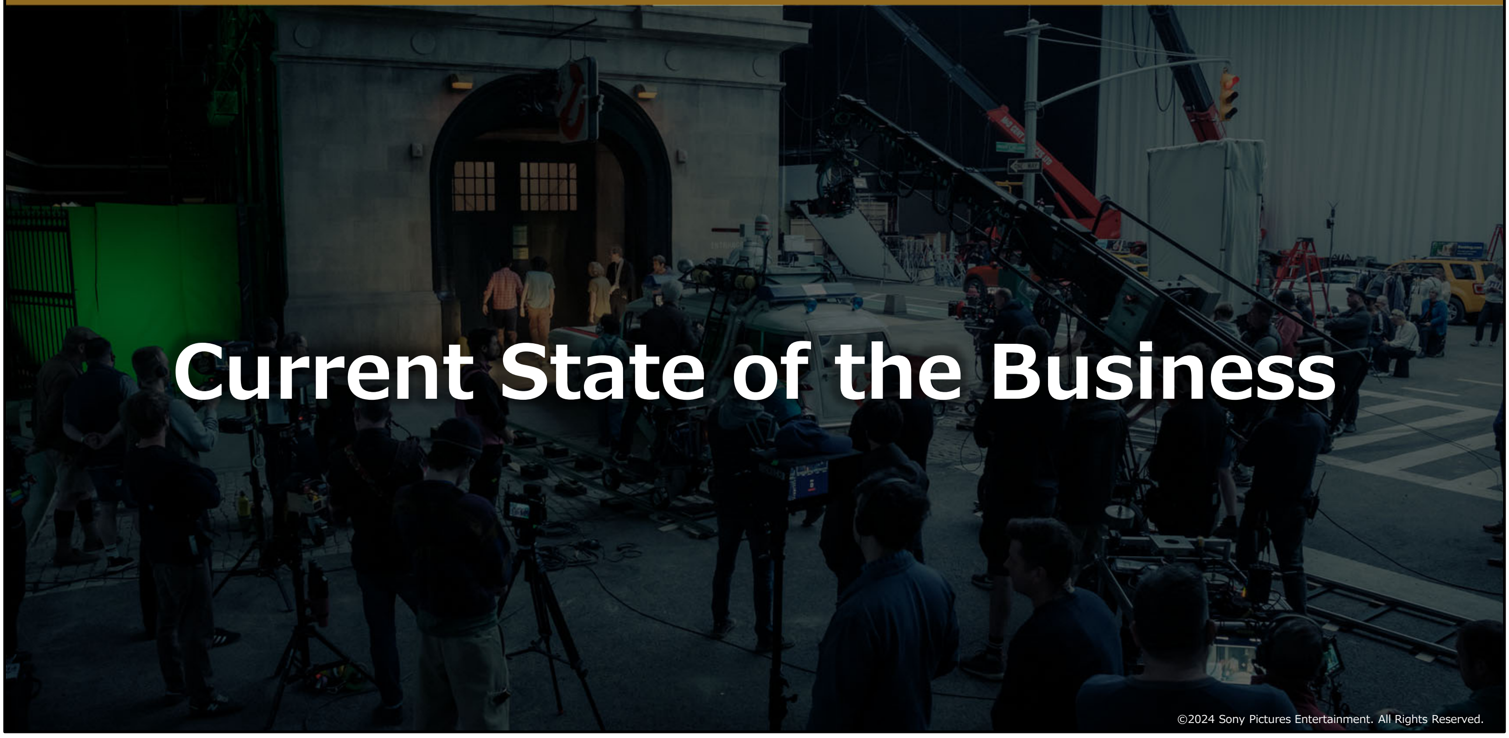
(Bln Yen)



- The negative impact on profitability of the Hollywood strikes in FY23 is estimated to have been approximately 18.0 billion yen, caused by changes in film release schedules and delays in the delivery of television programs.

- We believe the negative impact of the strikes on profitability will peak in FY24, and we have incorporated approximately 34 billion yen as the impact into our full-year forecast.

Pictures Segment

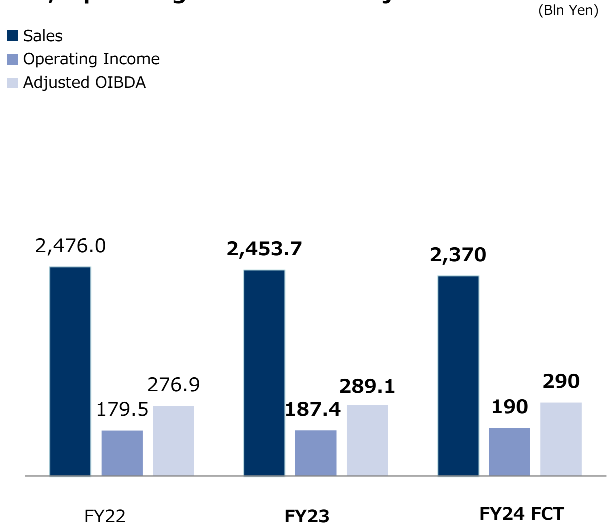


- Regarding Crunchyroll, we are expecting it to contribute even more to the operating income of the entire segment due to sales growth primarily from an increase in global paying subscribers and the overseas distribution of anime product, as well as reduced amortization expenses associated with its acquisition.

- In Motion Pictures, we have plans to release major titles in FY24 such as the sequel to the popular *Bad Boys* franchise, *Bad Boys: Ride or Die*, as well as new titles from the Sony Pictures Universe of Marvel Characters, *Venom: The Last Dance* and *Kraven the Hunter*.

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

Sales, Operating Income and Adjusted OIBDA



FY2023 (year-on-year)

- Sales: Essentially flat year-on-year (FX Impact: +98.4 bln yen)
  - ·(−) Decrease in sales of televisions due to a decrease in unit sales
  - ·(+) Impact of foreign exchange rates
- OI: 7.9 bln yen (4%) increase (FX Impact: +20.5 bln yen) / Adjusted OIBDA: 12.2 bln yen (4%) increase
  - ·(+) Positive impact of foreign exchange rates
  - ·(+) Reductions in operating expenses
  - ·(−) Impact of lower unit sales of televisions

FY2024 Forecast (year-on-year)

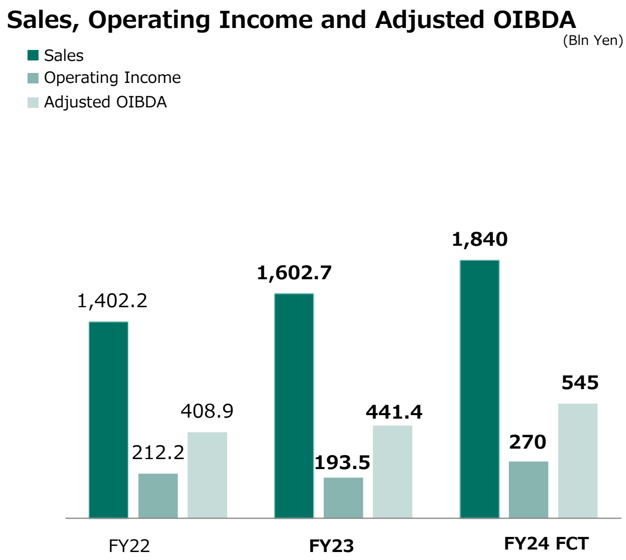
- Sales: 83.7 bln yen (3%) decrease
  - ·(−) Decrease in sales of televisions due to a decrease in unit sales
- OI / Adjusted OIBDA: Essentially flat year-on-year
  - ·(+) Reductions in operating expenses
  - ·(−) Impact of lower unit sales of televisions

- Next is the segment. Entertainment, Technology & Services (“ET&S”) segment.
- FY23 sales were 2 trillion 453.7 billion yen, essentially flat year-on-year. This was mainly due to a decrease in the unit sales of televisions, offset by an impact from foreign exchange rates.
- Operating income increased 7.9 billion yen year-on-year to 187.4 billion yen, mainly due to the favorable impact of foreign exchange rates and the benefit of cost reductions, despite the impact of lower sales in televisions.
- Our FY24 forecast for sales is 2 trillion 370 billion yen and operating income is 190 billion yen.

Entertainment, Technology & Services Segment

- In FY23, digital cameras and interchangeable lenses generated increased sales and operating income thanks to enhanced product appeals, and televisions and mobile communications reduced costs, enabling the entire segment to achieve a level of operating income that exceeded FY22 results and our projections at the beginning of FY23.
- Moreover, full-year operating cash flow was 322.8 billion yen, the largest among our five business segments excluding the Financial Services segment, due to improved profitability and significant inventory reductions, mainly in televisions.
- The market for interchangeable lens mirrorless cameras, which is the main source of sales and profit for this segment, showed strong growth in the previous quarter, primarily in China and Japan, and has continued to remain strong since April.
- We expect this market growth to gradually decelerate from the second half of this fiscal year onwards, but we believe that it will remain stable going forward.

Imaging & Sensing Solutions Segment (I&SS Segment)



FY2023 (year-on-year)

- Sales: 200.6 bln yen (14%) significant increase (FX Impact: +99.2 bln yen)
  - ·(+) Increase in sales of image sensors for mobile products
    - ·(+) Increase in unit sales
    - ·(+) Improvement in product mix
  - ·(+) Impact of foreign exchange rates
- OI: 18.7 bln yen (9%) decrease (FX Impact: +62.3 bln yen) / Adjusted OIBDA: 32.6 bln yen (8%) increase
  - ·(−) Increase in depreciation and amortization expenses*
  - ·(−) Increase in costs associated with the launch of mass production of a new image sensor for mobile products
  - ·(−) Increase in manufacturing costs
  - ·(+) Impact of increase in sales
  - ·(+) Positive impact of foreign exchange rates

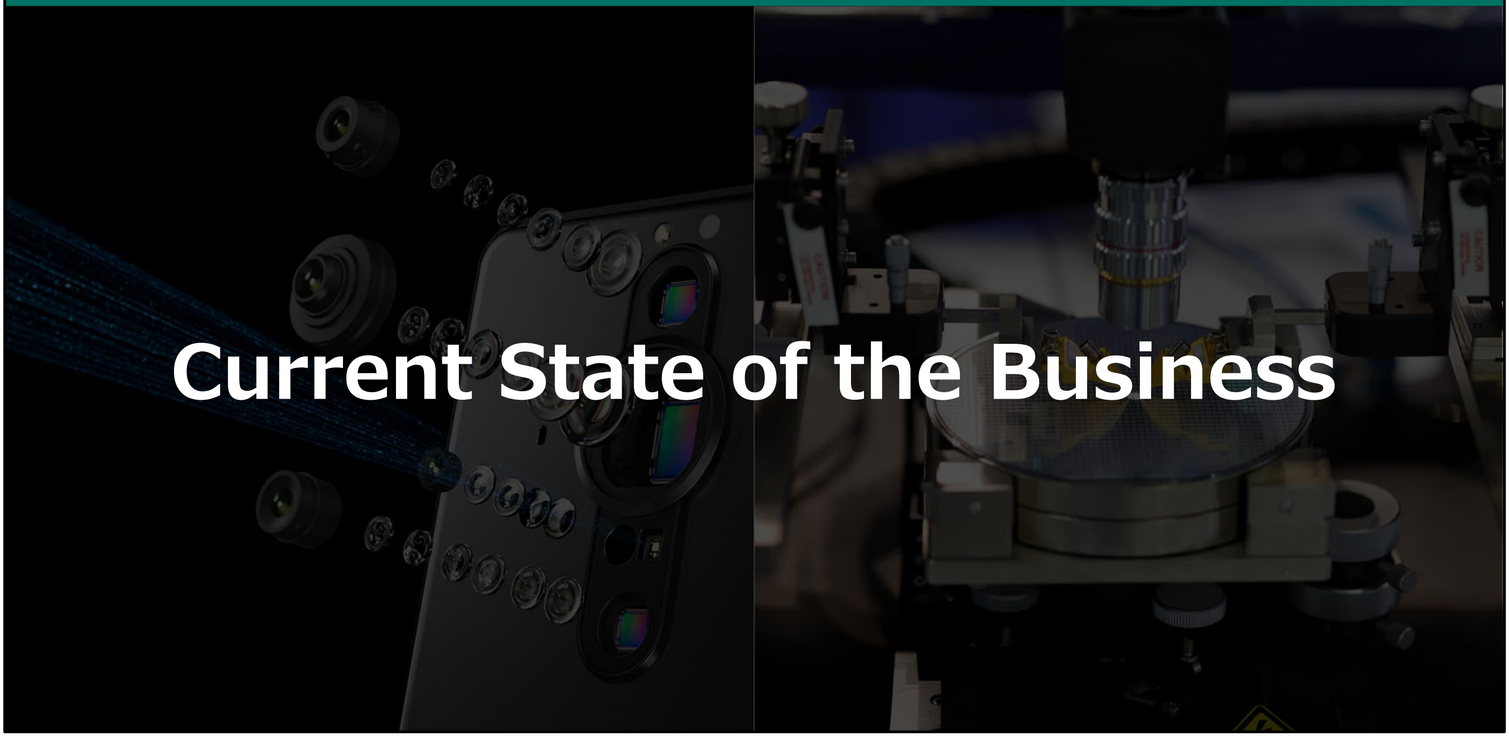
FY2024 Forecast (year-on-year)

- Sales: 237.3 bln yen (15%) significant increase
  - ·(+) Increase in sales of image sensors for mobile products
    - ·(+) Increase in unit sales
    - ·(+) Improvement in product mix
- OI: 76.5 bln yen (40%) significant increase / Adjusted OIBDA: 103.6 bln yen (23%) significant increase
  - ·(+) Impact of increase in sales
  - ·(+) Decrease in costs associated with the launch of mass production of a new image sensor for mobile products
  - ·(−) Increase in manufacturing costs
  - ·(−) Increase in depreciation and amortization expenses*

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

- Next is the Imaging & Sensing Solutions ("I&SS") segment.
- FY23 sales increased a significant 14% year-on-year to 1 trillion 602.7 billion yen, mainly due to increased sales of image sensors for mobile products and the impact of foreign exchange rates.
- Despite the impact of increased sales, operating income decreased 18.7 billion yen year-on-year to 193.5 billion yen mainly due to an increase in expenses including depreciation and amortization expenses.
- Our FY24 forecast for sales is 1 trillion 840 billion yen and operating income is 270 billion yen which would be a new record for this segment.

Imaging & Sensing Solutions Segment

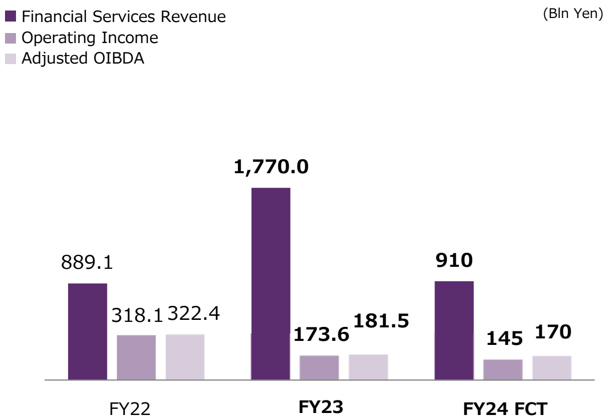


Current State of the Business

- In the current smartphone product market, while unit sales in the previous quarter in China slightly exceeded the same period of the previous year, stagnation continues in the U.S. and other parts of Asia, and we believe that the global recovery will be very slow.
- In this market environment, our mobile sensor business is expected to continue to grow due to larger die-size sensors, higher added value, and expanded market share, and we plan to achieve year-on-year sales growth in FY24 of 10% or more for the third year in a row.
- In addition to the trend of increasing the die-size of wide-angle camera sensors, smartphone manufacturers are working to increase the size and improve the image quality and performance of extra wide-angle and telephoto camera sensors, and we believe that this will be a growth driver for the mobile sensor market over the next few years.
- To accommodate these trends towards larger die-sizes and higher added value, we are focusing our sensor development on improving pixel performance and characteristics. We are developing high-performance sensors while focusing on the number of manufacturing processes and productivity as well as improving production yields through pixel design. These efforts are expected to contribute to future investment efficiency and cost improvements.
- In addition, with regard to improving the yield of mobile sensors, which has been a top priority issue since the previous fiscal year, we have been making progress at a pace that slightly exceeds our plan. As a result, we expect to be able to reduce the impact on profitability for this fiscal year to approximately 18 billion yen, almost half of the previous fiscal year.

Financial Services Segment

Financial Services Revenue, Operating Income and Adjusted OIBDA



Sony Life Operating Income Breakdown

	FY22	FY23	FY24 FCT
Insurance service result*1	159.9	171.1	**185**
Other*2	110.0	-44.6	**-65**
Total	269.9	126.4	**120**

FY2023 (year-on-year)

- Revenue: 880.9 bln yen (99%) significant increase
  - ·(+) Significant increase in revenue at Sony Life (843.1 bln yen increase, revenue: 1 trillion 523.9 bln yen)
    - ·(+) Increase in net gains on investments related to market fluctuations in the separate accounts
- OI: 144.5 bln yen (45%) significant decrease / Adjusted OIBDA: 140.9 bln yen (44%) significant decrease
  - ·(−) Significant decrease in OI at Sony Life (143.5 bln yen decrease, OI: 126.4 bln yen)
    - ·(−) Decrease in net gains related to market fluctuations for variable life insurance and other products
    - ·(−) Gain recorded on the sale of real estate in FY22
  - ·(−) Recovery of an unauthorized withdrawal of funds at a subsidiary of Sony Life in FY22 (-22.1 bln yen)*3
  - ·(+) Recording of realized and remeasurement gains resulting from the transfer of a portion of shares of Sony Payment Services (+19.8 bln yen)*3

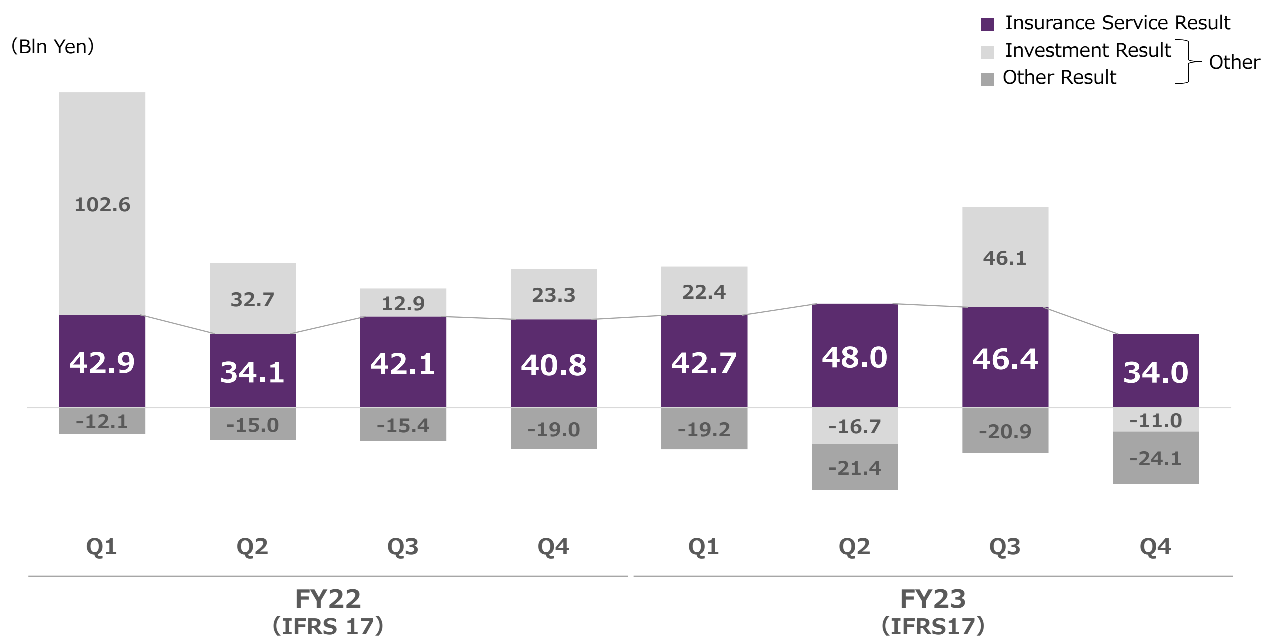
FY2024 Forecast (year-on-year)

- Revenue: 860 bln yen (49%) significant decrease
  - ·(−) Increase in net gains on investments related to market fluctuations for the separate accounts at Sony Life in FY23
- OI: 28.6 bln yen (16%) decrease / Adjusted OIBDA: 11.5 bln yen (6%) decrease
  - ·(−) Recording of realized and remeasurement gains resulting from the transfer of a portion of shares of Sony Payment Services in FY23 (-19.8 bln yen)*3
  - ·(−) Recording of the gain related to market fluctuations for variable life insurance and other products in FY23

*1 Insurance service result = Insurance revenue − Insurance service expenses
*2 Other = Other financial services revenue − Insurance finance expenses (income) − Other financial services expense
"Other" corresponds to the total of Investment result and Other result in "Supplemental Information".
*3 Factor for change in operating income only, not included in factors for change in Adjusted OIBDA.

- Last is the Financial Services segment.
- Financial services revenue for FY23 was 1 trillion 770.0 billion yen, almost double year-on-year, mainly due to the impact of market fluctuations on Sony Life, Inc. ("Sony Life").
- Operating income decreased a significant 144.5 billion yen year-on-year to 173.6 billion yen. This was primarily due to a decrease in net gains related to market fluctuations for variable insurance and other products of Sony Life, as well as the recording of gains on the sale of real estate at Sony Life and the recovery of funds related to an unauthorized withdrawal in the previous fiscal year. These negative factors were partially offset by the recording of a gain mainly from the transfer of a portion of the shares of Sony Payment Services Inc.
- The FY24 forecast for financial services revenue is 910 billion yen and operating income is 145 billion yen, a decrease of 28.6 billion yen from the previous fiscal year, which included the recording of the gain from the transfer I previously mentioned.
- Please note that this forecast does not take into account the impact of market fluctuations on Sony Life.

Sony Life Operating Income Breakdown



- Now, I would like to explain the fluctuations in operating income that have been particularly notable since the adoption of IFRS 17.

- This is the trend of the breakdown of Sony Life's quarterly operating income. While "insurance services results," which are the base profit of the business, have generally remained stable, "investment gains and losses" have fluctuated greatly due to changes in market conditions.

- The majority of the "investment gains and losses" consist of unrealized valuation gains and losses. We are considering measures to curb these fluctuations in gains and losses including the transfer of previously concluded insurance contracts to external parties through reinsurance transactions.

- **FY2023 Consolidated Financial Results and FY2024 Consolidated Results Forecast**
- **Segments Outlook**
- **5th Mid-Range Plan (FY24-FY26)**

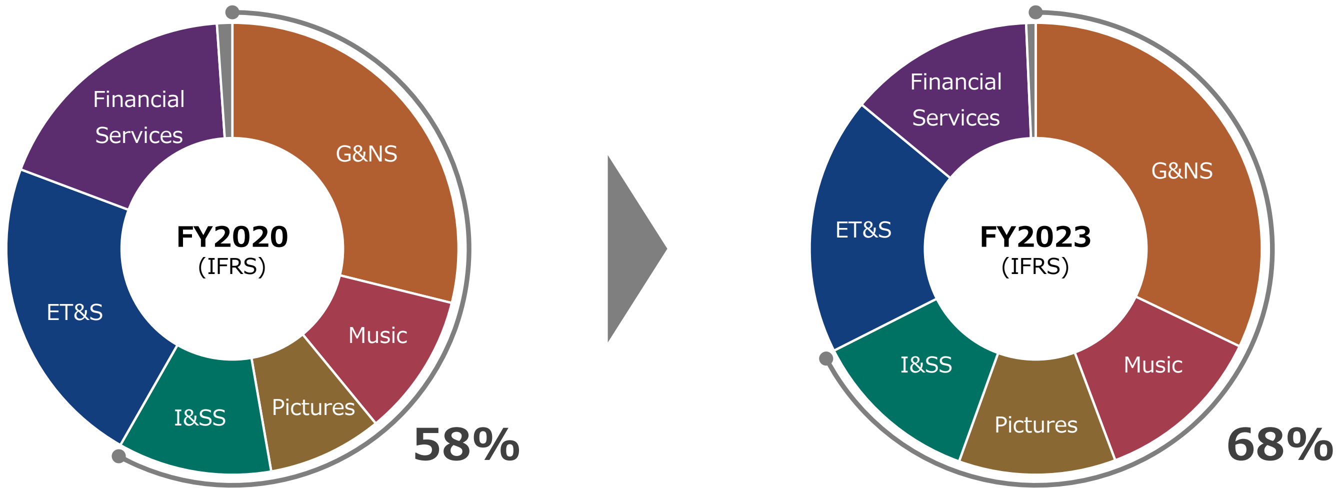
- This concludes our explanation of the financial results for FY23 and the results forecast for FY24.
- Next, Totoki will explain our mid-range plan.

Review of the 4th Mid-Range Plan

- Now, I would like to talk about our Mid-Range Plan.
- First, let me give a brief overview of our 4th Mid-Range Plan.
- Under the theme of our 4th Mid-Range Plan, “Sony’s Evolution,” we have been working to evolve our corporate architecture and business portfolio to drive growth for the entire group.
- In April 2021, we transitioned from a large headquarters housing support functions for our electronics business to Sony Group Corporation being a scaled-down group headquarters. By doing so, we established a structure to promote the growth of the group in an equidistant relationship with each business.
- Regarding our business portfolio, we are making concrete preparations for a partial spin-off of the Financial Services business in October 2025, with the aim of achieving further growth in both the Financial Services business and our other businesses.

Shift to Growth Business Portfolio

Sales Composition by Business Segment*

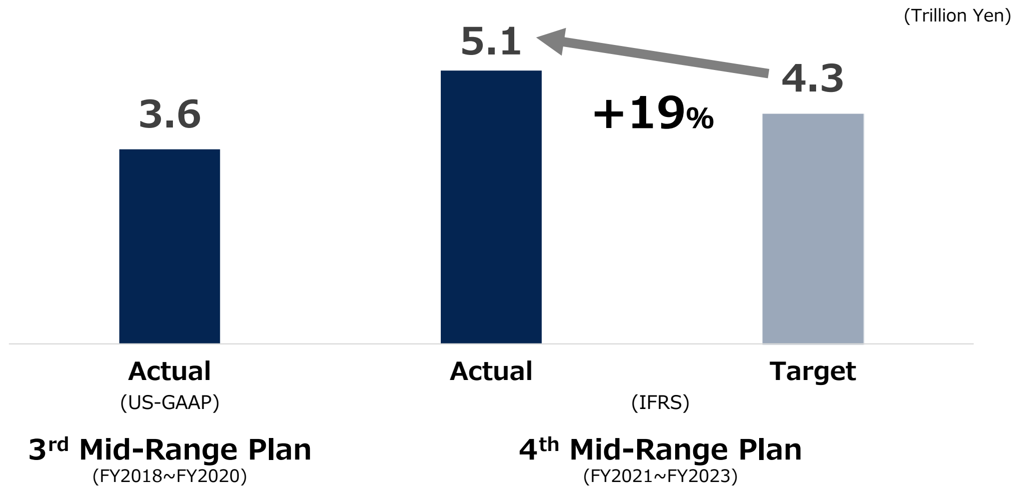


* Composition of the total sales by business segment, including intersegment sales.

- Additionally, by concentrating capital allocation on the growth areas of the three entertainment businesses and the I&SS business, we were able to significantly increase the combined sales of these four business segments, creating a more growth-oriented business portfolio.

4th Mid-Range Plan Financial Target
(FY2021~FY2023)

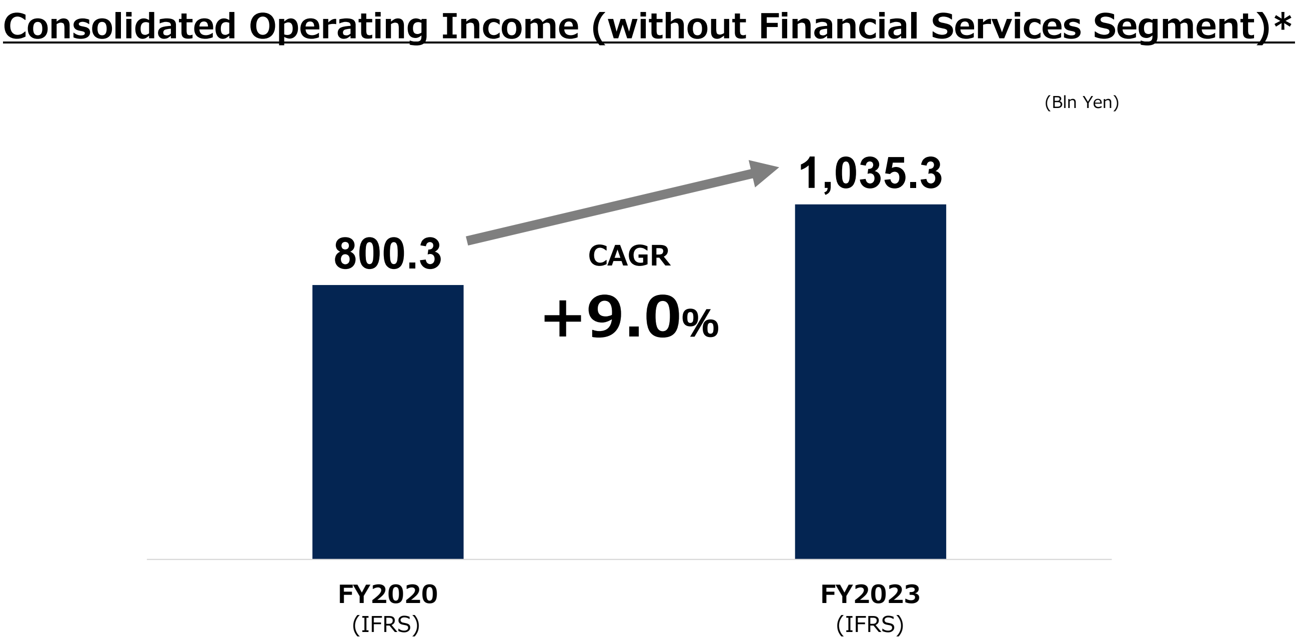
Three-Year Cumulative Consolidated Adjusted EBITDA*



** Adjusted EBITDA is not a measure in accordance with IFRS and US-GAAP. However, Sony believes that this disclosure may be useful information to investors.*

- Thanks to these efforts, the KPI we set as a growth indicator for the 4th Mid-Range Plan period, three-year cumulative consolidated Adjusted EBITDA, was 5.1 trillion yen, 19% higher than our initial target and 42% higher than the amount generated during the 3rd Mid-Range Plan period.

Improvement in Profit Generation Ability



** Consolidated Operating Income (without Financial Services segment) is not a measure in accordance with IFRS. However, Sony believes that this disclosure may be useful information to investors.*

- In addition, our ability to generate profits is steadily improving. The average annual growth rate of consolidated operating income excluding the Financial Services segment was 9.0% from the fiscal year ended March 31, 2021 to the fiscal year ended March 31, 2024.

5^{th} Mid-Range Plan

- Now, I would like to talk about our 5th Mid-Range Plan.
- We are presenting the plan excluding the Financial Services segment and Endo, the head of that business, will provide an explanation of the Mid-Range Plan of the Financial Services segment at the Business Segment Meeting scheduled for May 31.
- The themes of the 5th Mid-Range Plan are “Beyond the boundaries” and “Maximize synergies across the Group,” with the intention of continuing to implement the proactive initiatives we have been implementing to further realize synergies and achieve more growth for the entire group.
- During this Mid-Range Plan, no changes are planned to our strategy of working to increase corporate value through continuous growth.
- While further strengthening our efforts to realize group synergies, we plan to focus on implementing measures to achieve mid- to long-term growth in our three entertainment and image sensor businesses.
- At the same time, we expect the business environment to remain uncertain and volatile during the period of this Mid-Range Plan and beyond. In order to further increase our resilience to such environmental changes, we aim to work to strengthen our earnings base through the ongoing evolution of our business portfolio and to improve investment efficiency and business profitability.

5th Mid-Range Plan Financial Target
(FY2024~FY2026)

Further strengthening resilience to changes in the environment and focusing on profit-based growth

CAGR of Consolidated Operating Income (without Financial Services Segment) (FY2023→FY2026)	Three-Year Cumulative Operating Income Margin (without Financial Services Segment)
10% or more	**10**% or more

Consolidated Operating Income (without Financial Services Segment) is not a measure in accordance with IFRS. However, Sony believes that this disclosure may be useful information to investors.

- Consequently, for the period of this Mid-Range Plan, we have placed greater emphasis on profit-based growth KPIs, and we have set as KPIs for the entire group the growth rate of consolidated operating income and operating income margin.

- Specifically, we aim to increase consolidated operating income during this Mid-Range Plan, primarily in G&NS and I&SS, and achieve an average annual growth rate of 10% or more, and a three-year cumulative consolidated operating income margin of 10% or more.

- In addition, we have positioned as an important indicator the sales growth of the game software and network services businesses in G&NS, the Music business, the Pictures business and the Image Sensor business.

- We also plan to regularly report progress on consolidated operating cash flow, which is the source of capital allocation.

Focus Measures for Each Business

G&NS	■ Expanding Installed Base ■ Providing Richer Gaming Experiences ■ Enhancement of First-party Software and PC Deployment
Music	■ Continuously Exceeding Market Growth ■ Accelerating Global Expansion of Anime and Artists from Japan
Pictures	■ Maximizing Value of Group IP Assets ■ Growth of Crunchyroll

- I will now discuss the main focus measures for each business under the 5th Mid-Range Plan.
- Further details will be provided by each business leader at the Business Segment Meeting on May 30 and 31.
- In the G&NS segment, under the theme of "Console & Beyond," we aim to drive profit growth of the Sony Group by expanding the stable installed base of PlayStation consoles, providing richer gaming experiences, and growing our business through the two-pronged approach of expanding into PCs and enhancing the first-party software titles originating from our in-house studios into which we have invested.
- In the Music segment, we continue to aim to grow faster than the market by strengthening our efforts in emerging markets, increasing monetization opportunities for our music catalogue and incorporating adjacent businesses such as merchandising.
- We also plan to accelerate the global expansion of Japanese anime and artists.
- In the Pictures segment, which serves as the core of collaboration between the three entertainment businesses, we aim to maximize the value of the IP assets held by the Sony Group.
- Furthermore, we aim to achieve profitable growth with Crunchyroll, a DTC service that deeply engages with anime fans and anime creators, as a growth driver.

Focus Measures for Each Business

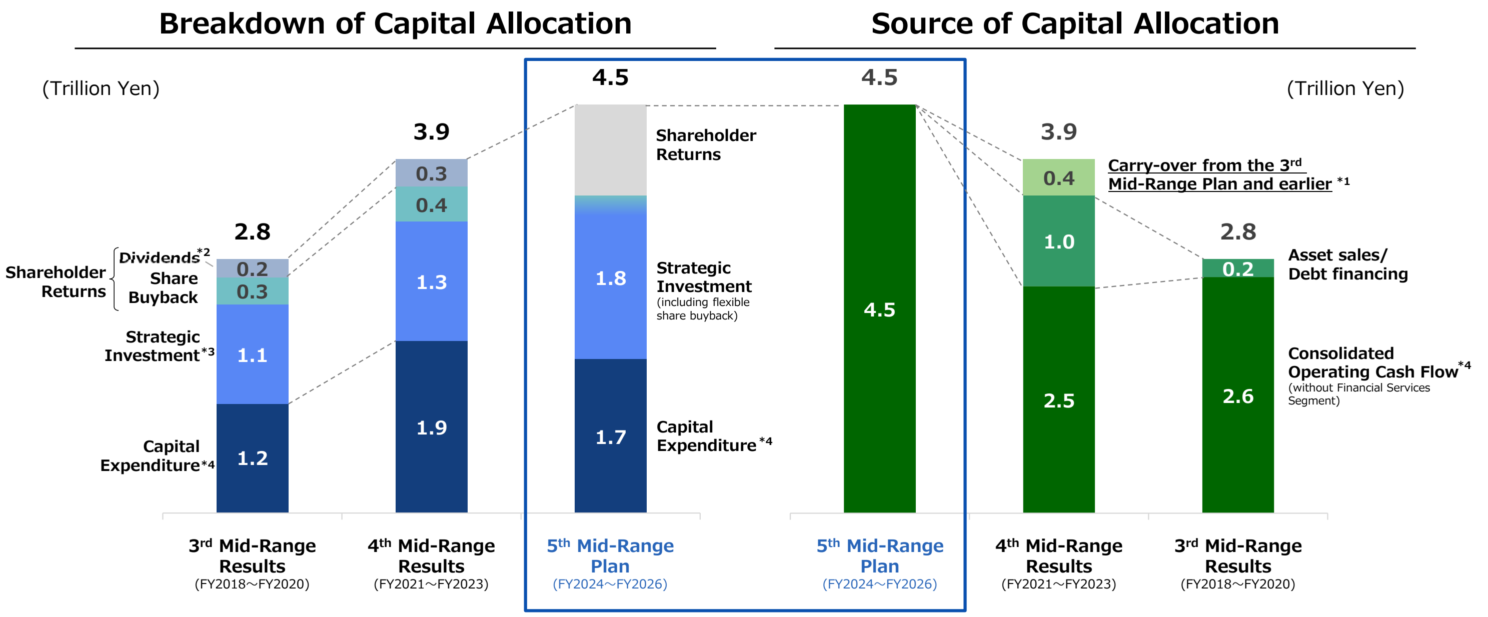
ET&S	■ Steady Growth in the Imaging and Sound Businesses ■ Accelerating Expansion into Growth-Axis Businesses
I&SS	■ Maintaining High Business Growth while Focusing on Improving Profitability ■ Improving Investment Efficiency and Reinforcing Development and Manufacturing

- In the ET&S segment, we plan to continue to control risks in businesses facing severe environments, such as televisions, while steadily growing our highly profitable and technologically differentiated imaging and sound businesses and accelerating expansion into the growth-axis businesses. Through this, we aim to continue to shift the business portfolio of the entire segment and generate cash that supports the Sony Group.

- In the I&SS segment, we intend to maintain our high growth rate, primarily in mobile sensors, and focus especially on increasing profitability, improving investment efficiency, and reinforcing development and manufacturing during the period of the 5th Mid-Range Plan.

- We also plan to proceed with the launch of new growth businesses that will follow from mobile sensors, such as automotive sensors, while maintaining financial discipline and a long-term perspective.

Capital Allocation
(without Financial Services Segment)



*1 This represents an increase in operating cash flow from the forecast at the end of FY2020 3Q in the 3rd Mid-Range Plan and a delay in cash outflows related to strategic investment projects that have already been decided upon.
*2 Dividends paid in the 3rd Mid-Range Plan were approximately 170 billion yen, and in the 4th Mid-Range Plan were approximately 280 billion yen.
*3 Strategic investments include investments in major music catalogs included in operating cash flow.
*4 Financial indicators in the 4th and 5th Mid-Range Plans are based on IFRS. Operating cash flow includes the impact of differences in accounting standards for payments of principal on operating lease obligations and purchases and sales of content assets. However, this does not include the impact of investments in major music catalogs, which are included in strategic investments. Capital expenditures also include increases in right-of-use assets related to operating lease agreements.

- Next, I would like to explain capital allocation during the term of the 5th Mid-Range Plan.

- Three-year cumulative consolidated operating cash flow, the main source of allocation, is expected to be 4.5 trillion yen, significantly exceeding the results of the 4th Mid-Range Plan, due to profit growth during the 5th Mid-Range Plan as well as the recovery of working capital that increased during the previous Mid-Range Plan.

- With regard to capital expenditures, we expect to spend 1.7 trillion yen, a decrease of 0.2 trillion yen from the previous Mid-Range Plan, taking into account that investment for image sensors is expected to decrease from the previous Mid-Range Plan period.

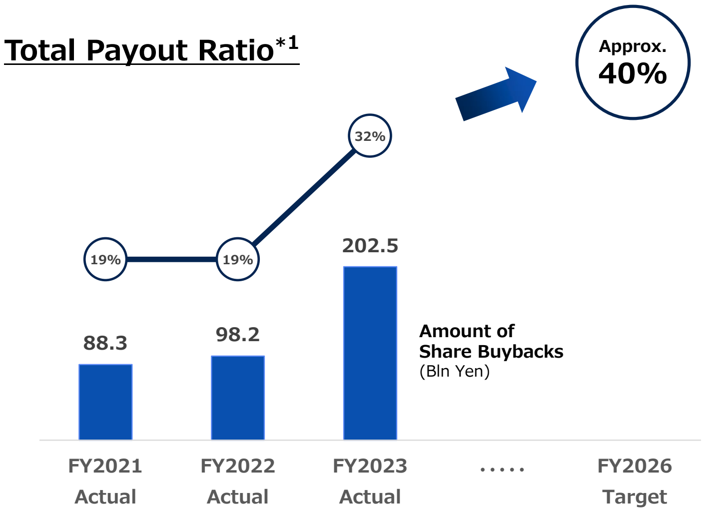
- With regard to strategic investments, we plan to allocate 1.8 trillion yen to business growth investments and flexible share repurchases.

- We will continue to work toward mid- to long-term growth of our business through such means as acquisition of IP and M&A, but we intend to emphasize investment efficiency and be more selective in the strategic arena.

- The biggest change from the capital allocation strategy under the previous Mid-Range Plan is that we plan to allocate any increase in free cash flow during the period of this Mid-Range Plan primarily to shareholder returns.

Shareholder Returns

Focus on Total Payout Ratio*1, and aiming to reach approximately 40% in FY2026



- Incremental Free Cash Flow is expected to be used primarily for shareholders' return.
- Set a share buyback parameter of 250 billion yen for FY2024.
- Dividend amount is expected to continue to increase steadily as the pace of dividend increases accelerates.
- Plan 15 yen dividend increase for FY2024.*2

* 1 Total payout does not include the dividends in kind of Sony Financial Group Inc. shares expected to be effective in FY2025 as a result of the planned partial spin-off of the Financial Services business.
2 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 planned dividend increase amount is stated before taking stock splits into consideration.

- With regard to shareholder returns, we plan to place emphasis on the total payout ratio, which we expect to gradually increase throughout the period of the 5th Mid-Range Plan, aiming for approximately 40% in the fiscal year ending March 31, 2027, the final fiscal year of the plan.
- To this end, we set aside 250 billion yen for share buybacks for this fiscal year, the first year of this Mid-Range Plan, which exceeds the amount we acquired in the previous fiscal year.
- Regarding dividends, our policy is to continue to increase dividends steadily while accelerating the pace of dividend increases.

Stock Split

Implementation of stock split with the aim of expanding the investor base

Record Date	September 30, 2024
Effective Date	October 1, 2024
Split Ratio	5 common shares for every 1 common share

- In addition, with the aim of further expanding the investor base that holds our shares, at the Board of Directors meeting held today, it was decided to implement a stock split with a record date of September 30, 2024 and an effective date of October 1, 2024.
- These are the main points of our 5th Mid-Range Plan.
- At the Corporate Strategy Meeting scheduled for May 23, CEO Yoshida and I will explain the direction of our group's businesses over the longer term.
- That's all for the explanation.

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. 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.

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. 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 Sony Financial Group Inc. ("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 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) 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 Japanese equity 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.