Game & Network Services Segment

Senior Executive Vice President
Sony Group Corporation

President and CEO, Sony Interactive Entertainment LLC
Representative Director and President, Sony Interactive Entertainment Inc.

Jim Ryan

PlayStation: The Road to Profitable Transformation

1. Thriving Core Business

2. Powerful New Growth Vectors

COMMERCIAL	PORTFOLIO	AUDIENCE
PlayStation Plus; SHOP HARDWARE; PlayStation VR2	BUNGIE; HORIZON FORBIDDEN WEST; MLB THE SHOW	PC; MOBILE; BEYOND CONSOLE

3. Transformative Sony Group Collaboration

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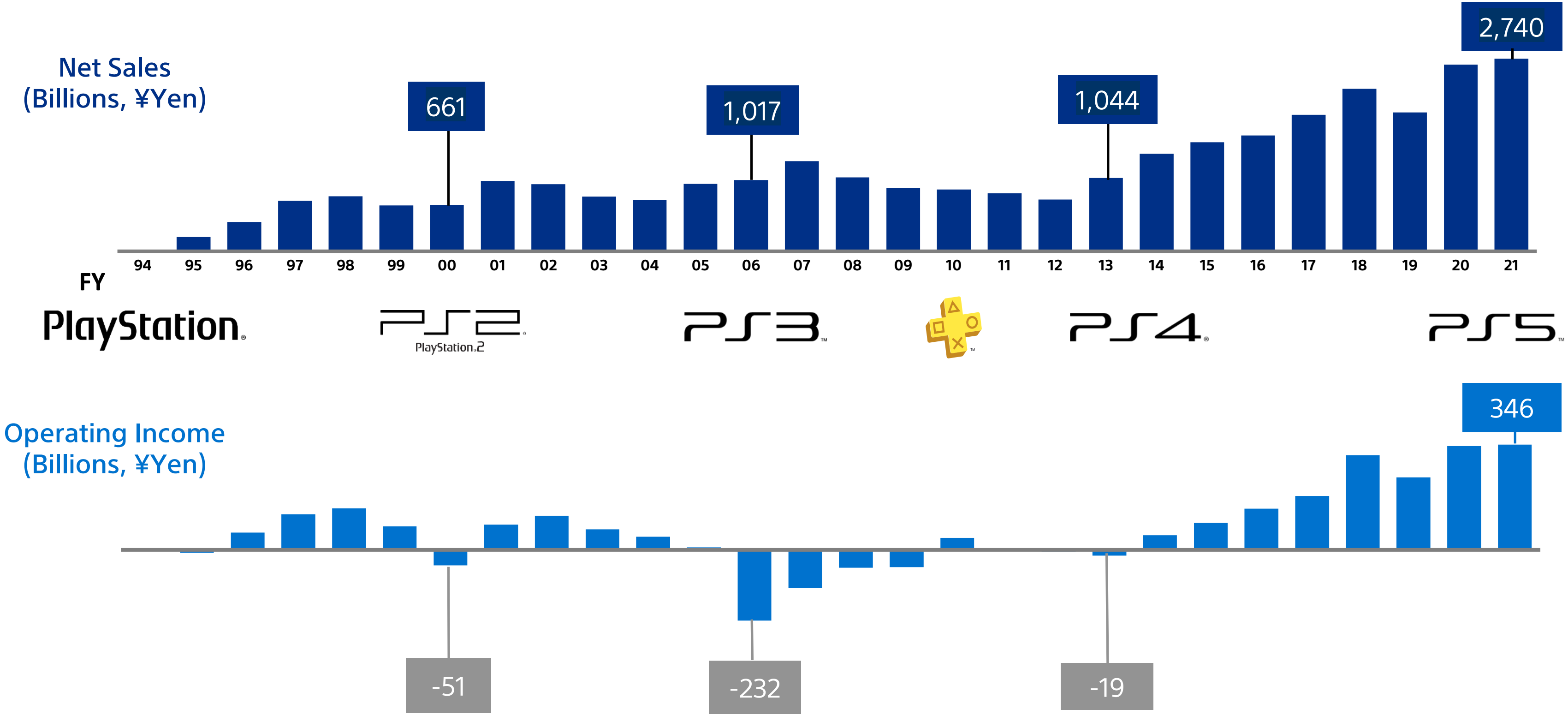
FY21: Record Earnings in a Transition Year



Figures before FY20 are based on US GAAP and figures for FY21 are based on IFRS

Building Our Biggest Platform Ever

- Unprecedented Demand
- Category Growth
- Incredible Game Lineup
- Strong Brand
- Highest Engagement Ever
- Tackling PS5 Supply Issue

PS5 – Unprecedented Demand

Purchase Interest in PlayStation Console
(One Year After Each Console's Launch Year, North America Only)

November 2021

55%

expressed interest in PS5

November 2014

28%

expressed interest in PS4

Source: NielsenIQ - BASES Platform Volumetric, 2014 and 2021

Sell-Through Time of 80K HW Units at US Retailers
(End of 1st Full FY for PS5 vs. End of 1st Full FY for PS4)

PS5

*US retailer events sold PS5s at a rate of nearly 1,000 units per minute**

80K UNITS IN 82 MINUTES

PS4

PS4 units in the US were selling at 6 per minute, at the same stage in product lifecycle

80K UNITS IN 9 DAYS

*Across 3 different leading U.S. retailer events

Unprecedented China Demand

PS4

Week 72 Sell-Through After Global Launch: 250K (Free Supply)

Active Console Volume Ranking (As of March 2022):

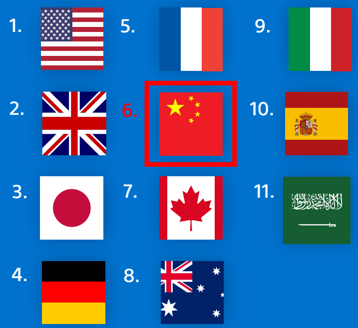
Average Cumulative Spend Per Active Device: Week 72 After Global Launch: $69.81

PS Plus Subs Week 72 After Global Launch: 89.9K

PS5

Week 72 Sell-Through After Global Launch: 670K (Constrained Supply)

Active Console Volume Ranking (As of March 2022):



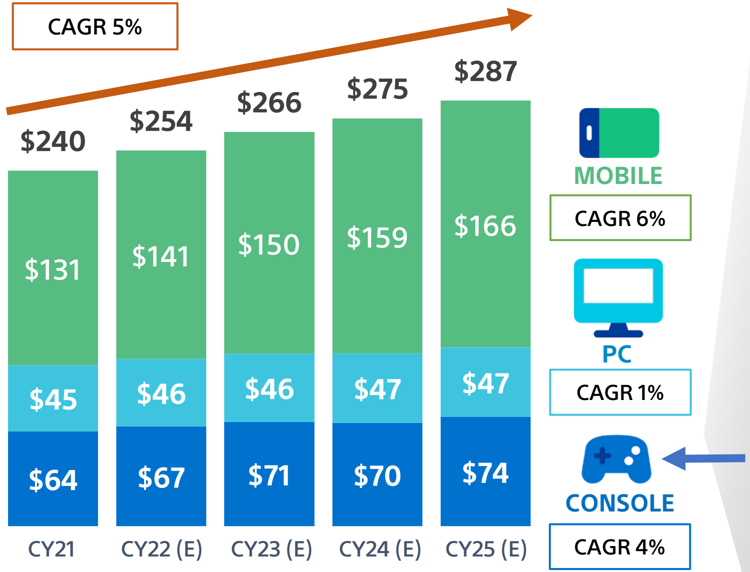
Average Cumulative Spend Per Active Device: Week 72 After Global Launch: $223.34

PS Plus Subs Week 72 After Global Launch: 295.7K

Gaming Category Growth

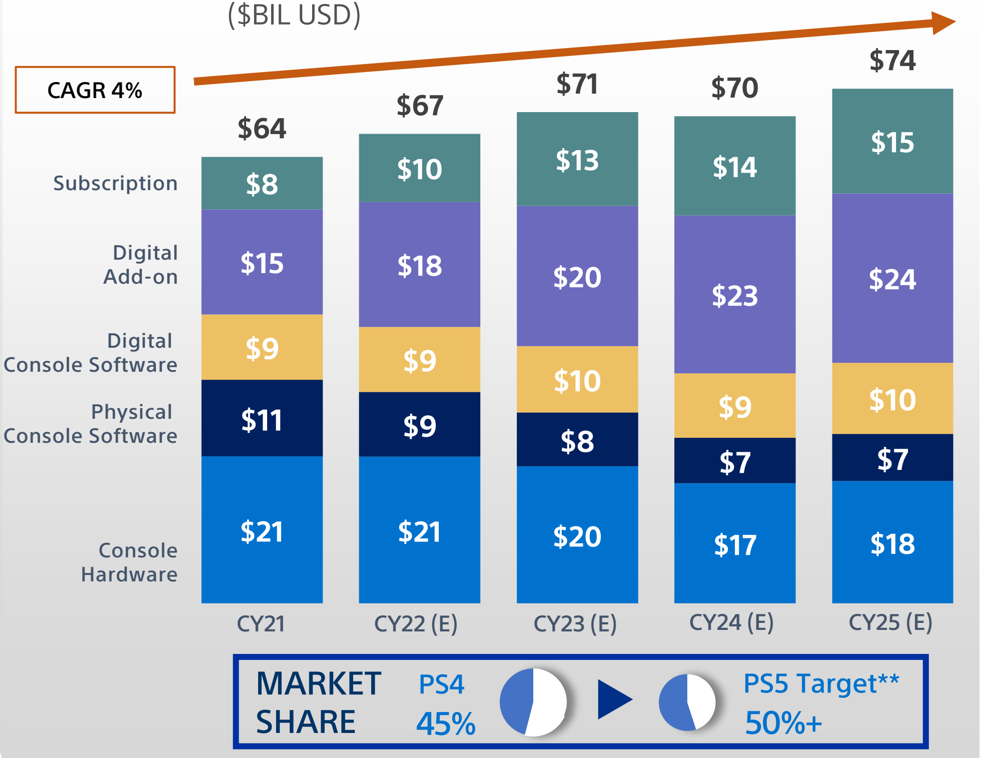
WW Gaming Industry Size by Platform*

($BIL USD)



Console Industry Size by Revenue Type*

($BIL USD)



*Source: Projections from IDG Consulting, 2022_Q1

**Internal SIE PS5 target

The Strongest Gaming Brand

PlayStation in Top Global Brands

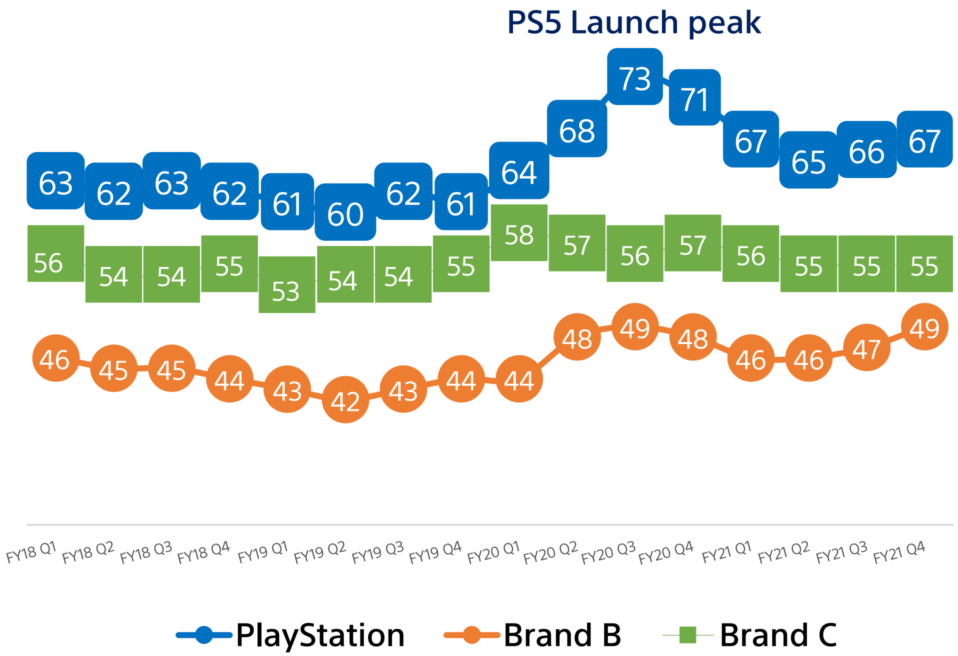
#7 PlayStation

Rising to No. 7 from No. 9 YOY

1.
2. PELOTON
3. Spotify
4. BOSE
5. android
6. Instant Pot
7.
8. fitbit
9. TED
10. USAA

Source: 2022 Prophet Brand relevance index report

Brand Momentum vs. Rest of Category



Source : SIE Global Brand Tracker

PlayStation Games Have Never Been Better

Incredible Content

PLAYSTATION STUDIOS TITLES

MARVEL SPIDER-MAN MILES MORALES	85
RATCHET & CLANK RIFT APART	88
RETURNAL	86
HORIZON FORBIDDEN WEST	88
GRAN TURISMO 7 THE REAL DRIVING SIMULATOR	87
THE SHOW 22	78

THIRD PARTY TITLES

grand theft auto FIVE V

"DEATHLOOP"

GENSHIN IMPACT

NBA 2K

EA SPORTS FIFA

GHOSTWIRE TOKYO

...With the Best Yet to Come

GOD OF WAR RAGNARÖK

MARVEL SPIDER-MAN 2

MARVEL WOLVERINE

PORTKEY GAMES HOGWARTS LEGACY

FORSPOKEN

AVATAR FRONTIERS OF PANDORA

FINAL FANTASY XVI

Ratings Source: Metacritic as of May 4, 2022

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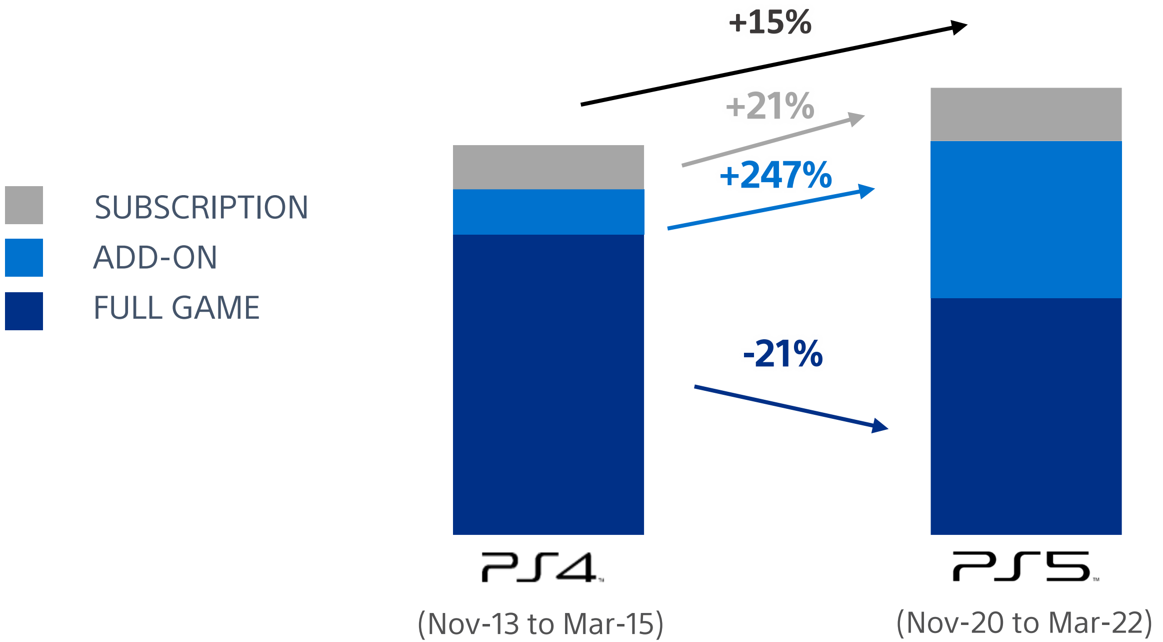
PS5: Highest Engagement Ever…

Metrics	PS4 (March 2015)	PS4 (March 2022)	PS5 (March 2022)
Gameplay Attach (%) *(Gameplay MAU/Platform MAU)*	92%	87%	**94%**
Gameplay DAU/MAU *(Avg. Gameplay DAU/Gameplay MAU)*	39%	38%	**46%**
MAU Retention Rate	86%	82%	**88%**
Monthly Gameplay Hours/User	44.1	39.7	**50.0**
Paid Plus Subs Attach (%) *(Paid Plus Subs/Active Consoles in 12 months)*	33%	61%	**82%**
LTD Store Transactions Attach (%) *(Paid Store Transacting Accounts[1]/Active Users)*	36%	34%	**62%**
LTD Game Transactions Attach (%) *(Paid Game Transacting Accounts[2]/Active Users)*	67%	47%	**71%**

[1] Store transactions include digital full game and add-on transactions from conformed spend. Platform is defined by target content type or transaction device type
[2] Game transactions include digital full game, physical full game, and add-on transactions from conformed spend. Platform is defined by target content type or transaction device type

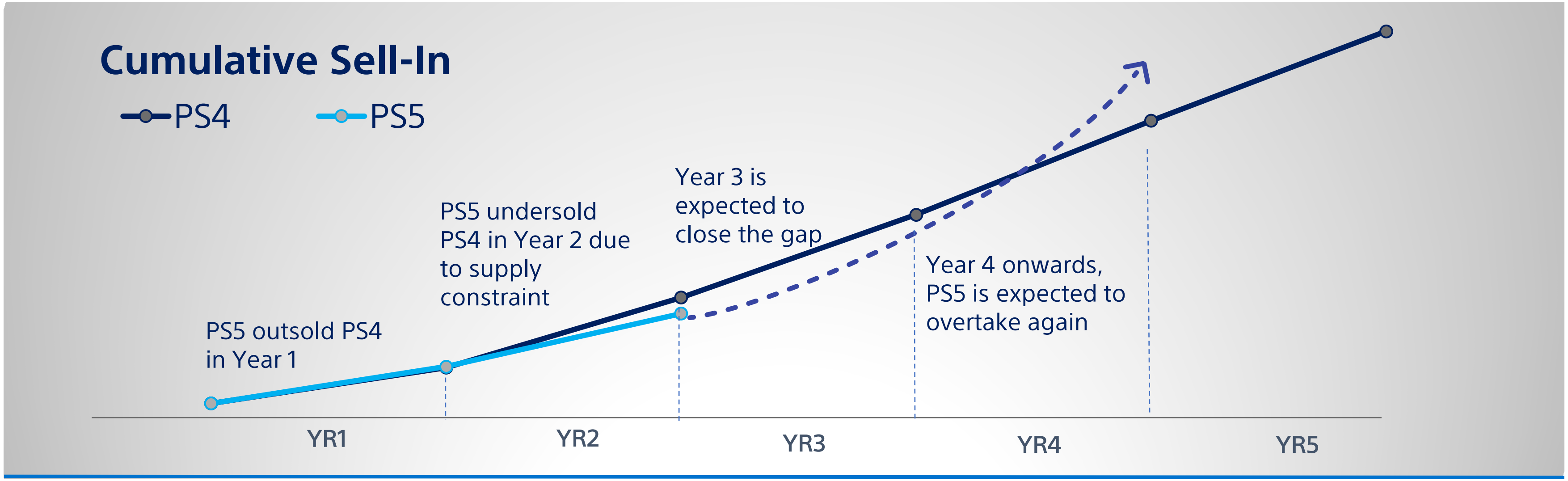
...And Game Monetization is Stronger

PS5 Game Spend: 15% Higher Than PS4



Average Game Spend Per Connected Device (USD)

PS5 Supply Issues: A Top Priority



Short-Term Risks

- COVID-19 impact for parts inventory (e.g., Shanghai)
- Russia impact for logistics and potential parts inventory

Mitigation Measures In Progress

- Sourcing multiple suppliers for greater agility in unstable market conditions
- Ongoing logistical negotiations to maintain optimal PS5 delivery routes

Maintaining Our Longest Ever Tail

Ongoing AAA Slate

Retain Post-COVID-19 Digital Shift

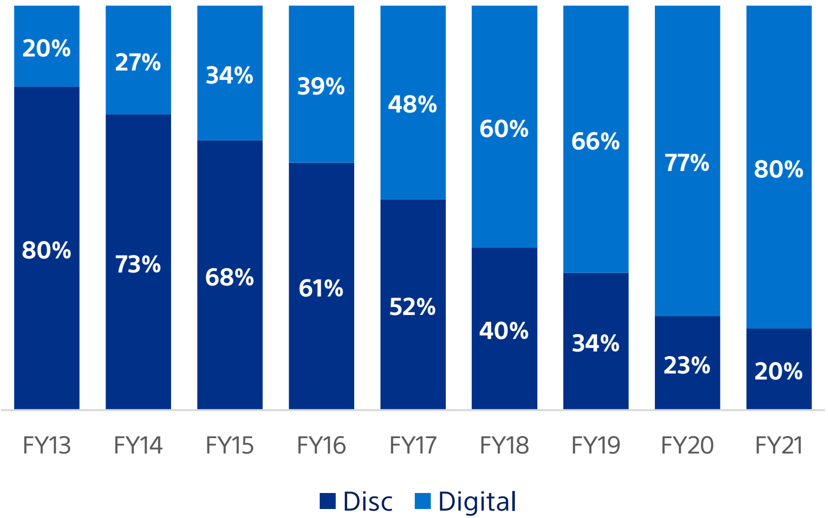
Continue Free-to-Play Growth

Loyal Subscriber Base and ARPU Growth Opportunities

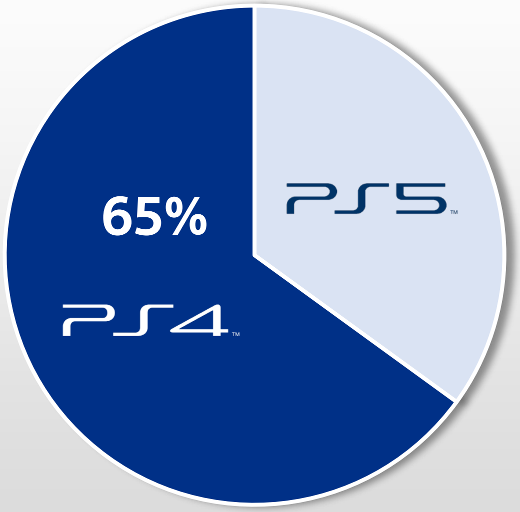
Retain Post-COVID-19 Digital Shift

PS4 REMAINS KEY DRIVER OF PS STORE REVENUE

COVID-19 Accelerated Strong Digital Shift in PS4 Spend



PS Store Revenue % by Console



FY21

Free to Play: A Significant Share of PS4 Spend

5% FY16

25%+ FY21

% of PS4 PlayStation Store Spend

Key Titles	Fortnite	Genshin Impact | Call of Duty Warzone | Apex Legends | Rocket League

PlayStation Plus on PS4: Sustained Performance

Primary Reasons Why People Subscribe

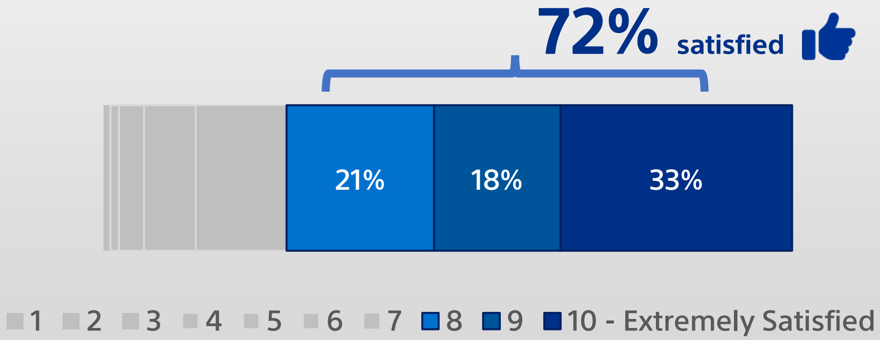
36% Online Multiplayer

30% Monthly Free Games

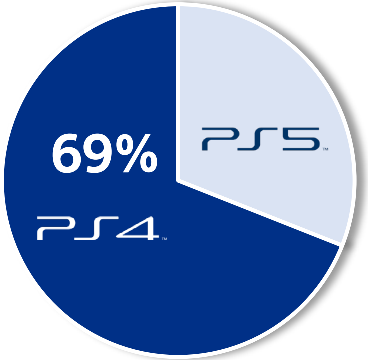
21% Game Discounts and Offers

13% Cloud Storage for Game Saves

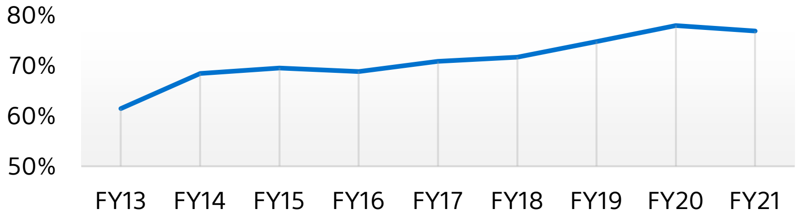
Overall PS4 Plus Subscriber Satisfaction



% of Total Subs Base (March 2022)



PS4 Renewal Rate



* COVID-19 & Fall Guys drove unprecedented engagement in FY20

PS4 vs. PS3: Much Stronger Late Life Cycle

MAU

March 2015
(Final Month of FY14, 2nd Year of PS4)

36.1M
users

March 2022
(Final Month of FY21, 2nd Year of PS5)

84.0M
users

Average Annual Spend Per Active Console*

FY 2014
(2nd Year of PS4)

$68

FY 2021
(2nd Year of PS5)

$151

*Excluding the spend on console itself and on second-hand discs

New Growth Vectors

- Commercial Expansion
- Portfolio Expansion
- Audience Expansion

New Growth Vectors

Commercial Expansion	1. New PlayStation Plus	2. PlayStation Direct	3. PS VR2 Launch
Portfolio Expansion	4. Ongoing M&A	5. Expanding Our IP	6. Live Services
Audience Expansion	7. PC	8. Mobile	9. Beyond Console

New Growth Vectors

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Audience Expansion	7. PC	8. Mobile	9. Beyond Console

1. New PlayStation Plus

A New Service Proposition - Combining the best of both:

PlayStation®Plus AND PlayStation™Now

TIER 1: ESSENTIAL	TIER 2: EXTRA	TIER 3: PREMIUM
SAME AS PLUS TODAY	CATALOGUE OF 400+ PS4 & PS5 GAMES ON DAY 1	• CLOUD STREAMING IN MAJOR MARKETS • TRY BEFORE YOU BUY • CLASSIC GAMES

To improve customer experience, grow our subscriber base and enhance monetization

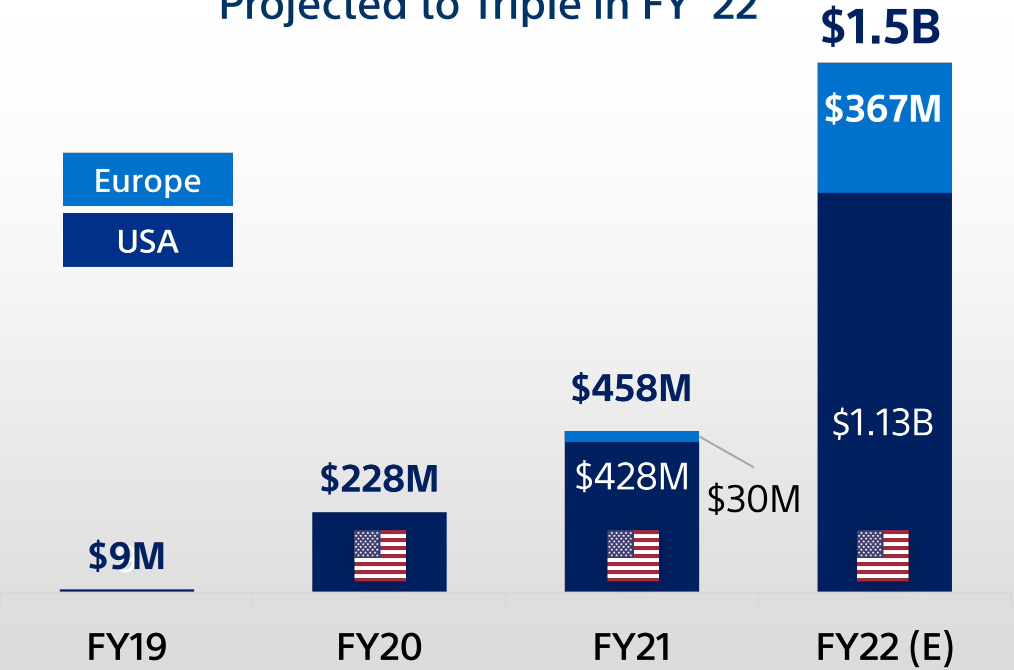
OFFER BETTER CONSUMER VALUE	IMPROVE RETENTION	GROW THE BASE >50M IN FY22	INCREASE ARPU

2. PlayStation Direct: Continued Growth

Future European Expansion

Expected in Early Calendar Year 2023
Iberia, Italy, Austria

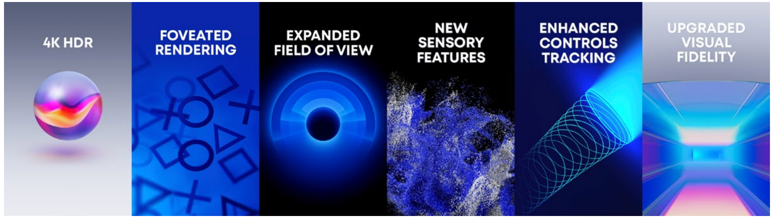
PlayStation Direct's Revenue Projected to Triple in FY '22



FY21 Unique Customers:	**1.3M**
FY22 Unique Customers (Projected):	**3.6M**

3. PS VR2: New Levels of Immersion

New controller with great ergonomics, haptic feedback and adaptive triggers



Enhanced Resolution and Tracking

Connect to PS5 with a single cord to simplify setup and improve ease-of-use

20+ major first-party and third-party titles confirmed for PS VR2 at launch

Portfolio Expansion

Commercial Expansion

1. New PlayStation Plus

2. PlayStation Direct

3. PS VR2 Launch

Portfolio Expansion

4. Ongoing M&A

5. Expanding Our IP

6. Live Services

Audience Expansion

7. PC

8. Mobile

9. Beyond Console

4. Ongoing M&A Activities: FY21 to Date

Announcement Date	Company	Type	Description	Location	#FTE[1]
May 3, 2021	DISCORD	Investment	Communication Platform	San Francisco, CA	-
June 29, 2021	HOUSEMARQUE	Full Acquisition	Console Game Developer	Helsinki, Finland	80
July 1, 2021	nixxes	Full Acquisition	PC Focused Porting Developer	Utrecht, The Netherlands	55
September 8, 2021	FIRESPRITE	Full Acquisition	Game Developer (Console, PC, Mobile, VR)	Liverpool, UK	265
September 30, 2021	Bluepoint	Full Acquisition	Console Game Developer	Austin, TX	69
November 4, 2021	DEVOLVER DIGITAL	Investment	Indie Game Developer & Publisher	Austin, TX	-
December 10, 2021	[valkyrie entertainment]	Full Acquisition	Game Developer (Console, PC, Mobile)	Seattle, WA	45
January 31, 2022	BUNGIE [2]	Full Acquisition	Live Services Developer & Publisher	Bellevue, WA	826
March 21, 2022	Haven	Full Acquisition	Live Services Developer	Montreal, Canada	61
May 3, 2022	ACCELBYTE	Investment	Backend-as-a-Service	Seattle, WA	-

1: Full-time employees (FTE) at time of acquisition. Investments will not include FTE.

2: The acquisition is subject to certain closing conditions, including regulatory approvals.

4. Ongoing M&A Activities: Bungie Synergies

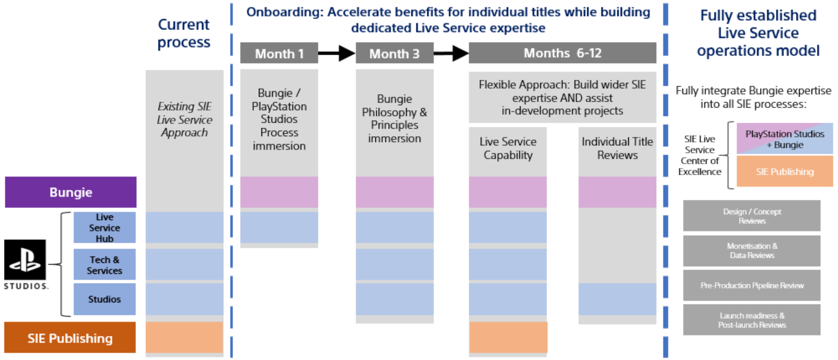
Bungie to SIE

- Live Services Expertise to PlayStation Studios
- Help Build SIE Live Services Center of Excellence
- Live Services Business Operations to Platform Business

SIE to Bungie

- Leverage Scale of SIE Publishing & Platform (Marketing, Global Business Operations)
- PlayStation Studios Central Services
- G&A Support (Legal, Finance, Accounting, HR)

Integration Plan

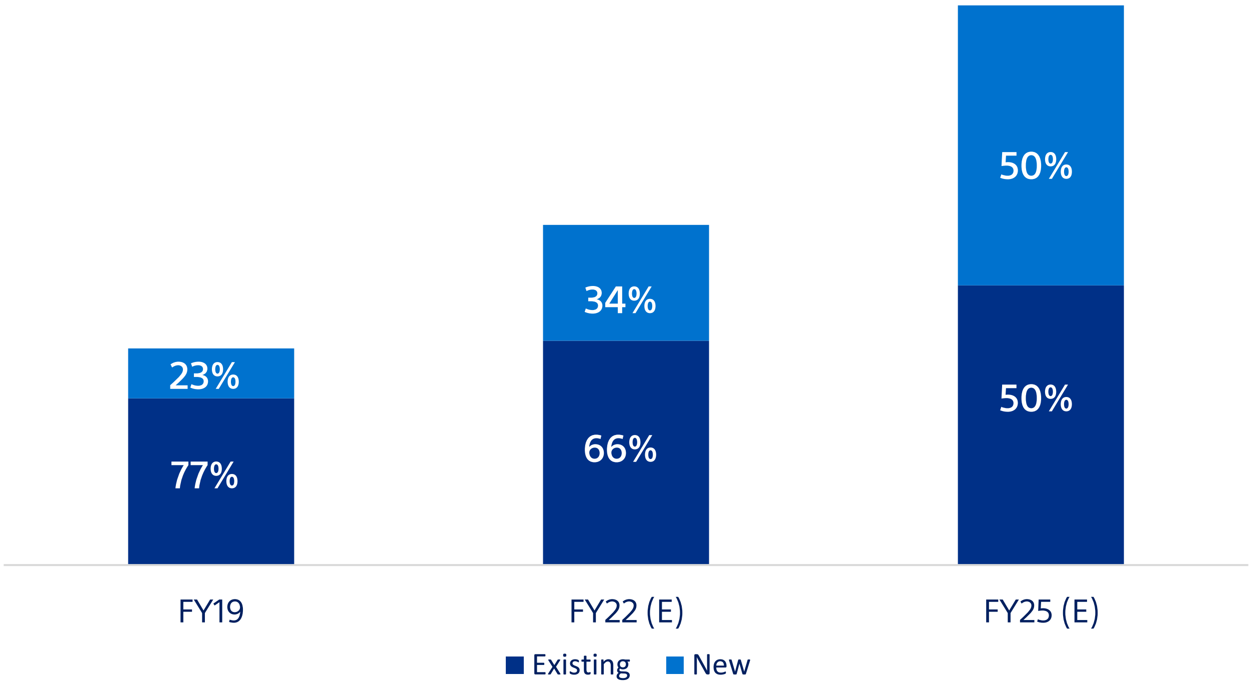


Preparation for integration underway and will be mobilized once deal is closed

Expected closing of Bungie acquisition to be completed in Q3 FY22

5. Expanding Our IP: Increasing New IP Investment

PlayStation Studios Investment by IP Type



5. Expanding Our IP: Leverage Beyond Gaming

Broaden Franchise Awareness	Monetize Our Most Beloved Franchises Beyond the Gaming Category	Give Existing Fans More Ways to Engage

Movies

Retail

TV Series

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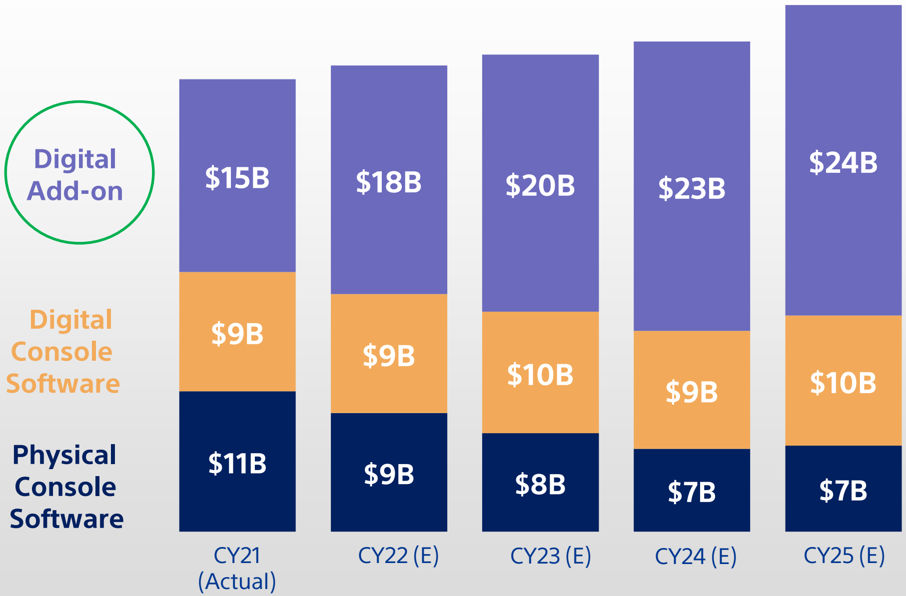
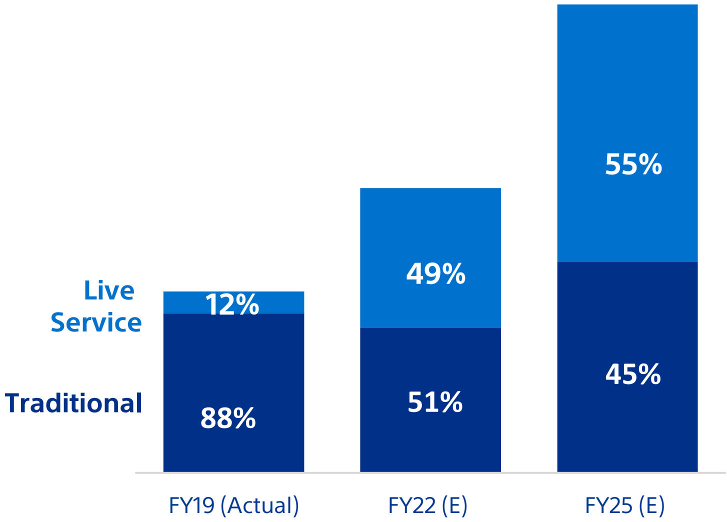
6. Live Services: Invest to Capture Category Growth

Projected Gaming Category Growth*



PS5 Investment by Business Model**



*Source: Projections from IDG Consulting, 2022 Q1
**Source: PlayStation Studios internal projections

6. Live Services: Grow First-Party Monetization & Portfolio Diversity

A More Diverse First-Party Portfolio

Single-Player Game Catalog

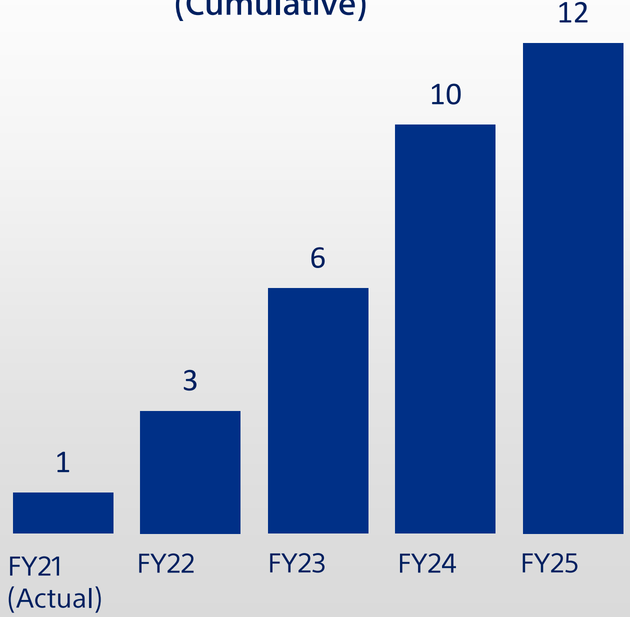
- God of War Ragnarök
- Horizon Forbidden West
- Ratchet & Clank Rift Apart
- Marvel Spider-Man Miles Morales
- The Last of Us Part II
- Uncharted
- Returnal
- Ghost of Tsushima
- Death Stranding

Live Services Game Catalog

- MLB The Show 22

Projected Number of SIE Live Service Franchises by Year

(Cumulative)



Audience Expansion

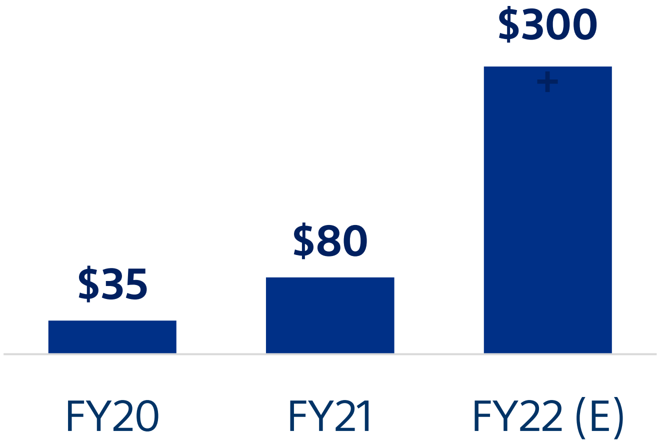
Commercial Expansion	1. New PlayStation Plus	2. PlayStation Direct	3. PS VR2 Launch
Portfolio Expansion	4. Ongoing M&A	5. Expanding Our IP	6. Live Services
Audience Expansion	7. PC	8. Mobile	9. Beyond Console

7. Exponential Growth to be Sustained by PC Titles Beyond FY22

Release Date Aug 7, 2020	Release Date May 18, 2021	Release Date Jan 14, 2022
LTD Unit Sales* 2,398K	LTD Unit Sales* 852k	LTD Unit Sales* 971k
LTD Revenue* $60M	LTD Revenue* $22.7M	LTD Revenue* $26.2M

Significant YOY Growth

PC Net Sales $
(In millions)



Ratings Source: Metacritic as of May 4, 2022
*As of March 2022

8. Mobile Strategy: Aggressive Growth Plans

Leverage partnerships to build leading mobile development and publishing capabilities within SIE

Co-development of top IP with industry leaders

- Partner with respected, established and successful mobile developers
- Extend our franchises to more players and regions
- Remain faithful to the values of PlayStation Studios
- Acquire credibility, visibility, and learnings

Establishing network of internal studios and projects

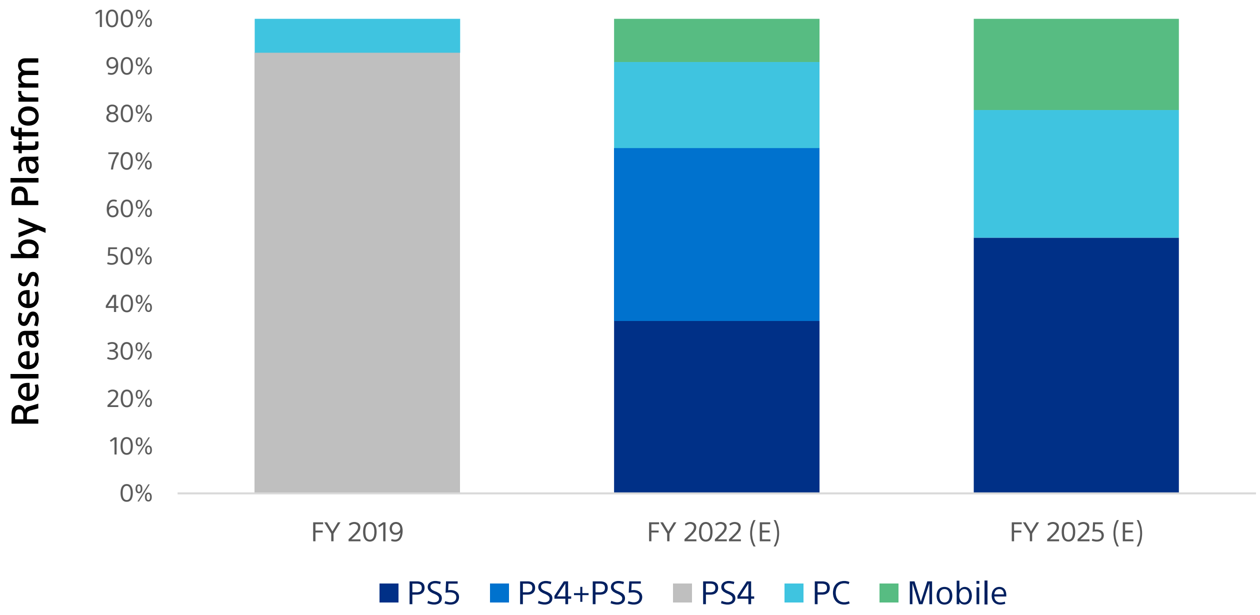
- Internal studios build mobile expertise
- Strategic partnerships with boutique teams
- Publish external games that fit within broader PlayStation Studios portfolio
- Expand to cross-platform where relevant

Building world-class centralized publishing team and tools

- Leadership talent from top mobile companies
- Best practices, processes, and tools optimized for cross-studio learning
- Build publishing operation in parallel to production

Evolving Shape of First-Party Portfolio

Significant Growth of PC and Mobile Within Our Portfolio



9. Console and Beyond

A transformation from PlayStation's current console-centric approach to a future where large elements of our community extend beyond the console

More Platforms

PC & Mobile	Virtual Reality	Cloud	Metaverse

Better Experiences

PS Plus	Discord Integration	Store	PlayStation Direct

The Importance of Group Collaboration

Transformative Sony Group Collaboration

ESG Initiatives: SIE is Turning Intention into Actions

ENVIRONMENT

- **Our Community:**
  - Players submit **377 ocean & forest game creations in Dreams –** shown at **UN COP26**
  - SIE has invested in **633,000 trees** to be planted around to world, linked to **player activations** in game, in support of United Nations **Play4Forests 1 million trees goal**

- **Our Services:**
  - **Our PS Plus cloud streaming service** has achieved **78% renewable** electricity & **carbon neutrality** (2020 baseline)

- **Our Products:**
  - **10% of the plastic** we used to manufacture PS **game boxes** was **recycled** from post-industrial waste in FY21

SOCIETY

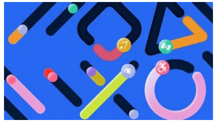
- **Our Community:**
  - More than **17,000 PlayStation products such as consoles and games** were donated to **Child's Play** for distribution in their **global network of 185 hospitals**

- **Our Products and Services:**
  - **60 million free games redeemed** as part of our **"Play At Home"** initiative during the COVID19 pandemic

- **Our Workforce:**
  - **Employees donated $3.3 million** towards more than 2,300 different causes, **including** match-funding by our **PlayStation Cares** program ($273,000 was towards causes aiding the Ukraine crisis)

GOVERNANCE

- **Our Community:**
  - **PlayStation Career Pathways Program** created offering technology & gaming **scholarships, mentorships & internships** to underrepresented groups; starting with **MLB** & **Jackie Robinson Foundation** partnership



- **Our Products and Services:**
  - **PlayStation.com accessibility destination** launched covering **features available** on our consoles & PlayStation Studios games
  - PlayStation 5 accessibility enhanced adding **six screen reader languages** (total now 15) & **mono audio headphones option**

- **Our Workforce:**
  - Achieved **top score** & awarded as one of the **Best Places To Work** for LGBTQ+ & Disability Inclusion by both **HRC** & **Disability:IN**

PlayStation: The Road to Profitable Transformation

1.
Thriving
Core Business

2.
Powerful New
Growth Vectors

COMMERCIAL EXPANSION

PORTFOLIO EXPANSION

AUDIENCE EXPANSION

3.
Transformative
Sony Group
Collaboration

SONY

SONY PICTURES

Sony Interactive Entertainment

SONY MUSIC

Sony Interactive Entertainment

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(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 COVID-19 and developments relating to the situation in Ukraine and Russia 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.